
The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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Jacob Morgan: Hello, everyone. Welcome to another episode of the Future of Work podcast. My guest today is actually somebody that I've known for quite a few years now and her name is Jenny Dearborn. She's the senior vice president and chief learning officer at SAP and she's also the author of a brand new book which I think came out couple days ago called *The Data Driven Leader: A Powerful Approach to Delivering Measurable Business Impact Through People Analytics*. She was also ranked by the National Diversity Council as one of the top 50 most powerful women in technology. Jenny, thank you for joining me.

Jenny Dearborn: Thank you, my friend. Happy to be here.

Jacob Morgan: Yeah, it's been a long time since I've seen you. I think it's been probably like two years now.

Jenny Dearborn: Yeah. It might be. Feels like we go back a long way, but it may be a while since we've seen each other face to face.

Jacob Morgan: Yeah, even though we're both in the Bay Area. All right, so why don't you give the listeners a little bit of information about you. You have a pretty cool background. I don't want to spoil anything so I'll just ask you to talk a little bit about yourself and your background.

Jenny Dearborn: Sure. Yeah, I have this awesome job here at SAP. I'm managing the strategic workforce planning and all of the talent readiness for SAP's approximately 90,000 employees globally. This is my fourth company as the chief learning officer, chief talent officer role. I've always been based in the Bay Area, but I've always had global roles and traveled internationally extensively, and yeah, that's pretty much me. I live in Palo Alto. I've been married for 25 years to my college sweetheart. We have four kids. Have a full regular person full life.

Jacob Morgan: Yeah. How did you get into the whole learning space?

Jenny Dearborn: It was a real passion of mine because starting quite early because I did not have a great learning experience as a youth, so I, K-12, was undiagnosed dyslexic, attention deficit disorder, hyperactivity disorder, obsessive compulsive disorder, all of these awesome things, and barely graduated high school and was really pretty disengaged from the whole education process.

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K-12, and when I went to a local junior college, I had a big gap in the middle of my schedule every day, and so I wandered into the counseling office, and said "Hey, can I just volunteer? Whatever, answering the phones or doing something to keep myself busy for this big chunk of time every day." And after a while, the councilors in the counseling services said "You might have a learning disability."

I said "Okay, I don't really know what that is, and never heard of that." They put me through series of testing and they said "Your processing speed is way down here, but your IQ is way up here." And they laid it all out for me and I became a person that became obsessed with achieving and showing everybody who had mistreated me throughout these years.

Proving them wrong, and I became kind of an angry resentful person because of all of the years of wasted time in my life, educational opportunities, and learning opportunities that were missed and lost. I decided well I'm going to save other kids, and make sure that this horrible tragic experience doesn't happen to anyone else, and so I became focused on becoming a teacher and saving the world that way.

I was on a path to make that happen and I did a couple years as a teacher, and then I found that it just really didn't suit me. I didn't really stop to reflect is that something that I would want to do. It was just more of a mission that I had to do. It was sort of this calling. A couple years as a high school teacher, I was like this is not a good fit.

I'm not cut out for this, so I made the pivot from teaching high school to teaching in the corporate environment. My first corporate job was at Hewlett-Packard teaching seven habits of highly effective people, and all of those awesome vendor courses, those third-party courses, and sort of then after eight years at Hewlett-Packard, and six years at Sun Microsystems and rising through the ranks of different corporate learning, corporate training teams, managing teams, having all those different roles.

I then sold education services for a lot of years, and then went more into the business side and the sales side. Yeah, that's kind of my journey. I started out as an English major with teaching credential on a master's of education and then ended up at Hewlett-Packard, went back to school, got an MBA, and then have been very drawn to the data side and the analytics side, and of proving the value and the impact of the work that we do in the education space, which is how I made the pivot into big data, and analytics, and statistics, and things like that.

Jacob Morgan: Very cool. Well, you know, when I was younger, I got diagnosed with ADHD as well.

Jenny Dearborn: Yeah.

Jacob Morgan: I was a terrible high school student. I think my GPA was like a 2.78, so I was always a terrible high school student. Even community college, before I went to UC Santa Cruz. Terrible student, totally disengaged from everything that was going on there, so I can relate to a lot of the stories that you're sharing. Fun fact, you paint comic book characters and you have a crazy pez collector, pez dispenser collection.

Jenny Dearborn: Pez dispenser collection. Yeah, I don't know. 15 years ago or 20 years ago or something. I was unpacking a box of junk that my mom cleaned out of our attic, and was like this stuff belongs to you, go take it. I found maybe 10 pez dispensers from my childhood so from the '70s, and I was like that's cool, and I just like put them on the windowsill.

People would come by and say that is so cool. I think I have a pez dispenser in my drawer or in my sundry drawer or at the bottom of a toy bin or something. You don't want to just go to a landfill so people just started giving me their random pez dispenser, and then people start giving me new ones.

It was like okay, now I have 50 and then I would see one and I would buy it, and then okay, now all of a sudden I have 100. Okay, I need to put these somewhere. Anyway, I have almost 1,000 now, and I have several custom. They're each unique and original and they're from all over the world, and most of them were given to me, and people instead of ... People know that I don't drink alcohol, so that don't bring me a bottle of wine when you come to my house, but bring me a pez dispenser, that is cool.

That's what I get excited about. I have multiple custom built shelf display cases, with glass fronts, and things like that, where I have these pez displayed, but most of them were gifts. It's just a fun random thing that just organically happened that I started collecting these things.

Jacob Morgan: That's pretty cool. I suppose the, I read something where you learn how to actually read by going through comic books, and so is that why you paint a lot of the comic book characters that you do?

Jenny Dearborn: Yeah. I do. I'm very drawn to, I don't know. The spirituality or the essence of what a superhero character represents. It's justice and integrity, and sticking up for the little guy, and fighting evil, and the selflessness, and the service, all superheroes for the most part are quite drawn. Must serve others, and I just was as a kid, so drawn to that idea.

I think it's like you, you're told that you're, I don't know. Now I'm projecting. I was told you're stupid. You're no good. I was funneled into special education classes. You're told that you're retarded. These are the actual words that are said, and after a while, you start to believe it, and you feel like maybe having a real superhero in the world would be great because I sure wish somebody would come and save me right about now.

I'm so drawn to the concept of these beings in the world. I know it's fiction but it's just such a compelling concept. I also couldn't read as a kid, and the only way I really was able to teach myself to read was by reading comics, so I started collecting comics and that's how it came to be, and my husband and I go from house to house, where we live here in Palo Alto, and we look for the biggest most dilapidated piece of crap we could find, and then renovate it. That's really fun, and so our house is perpetually under construction.

When it's completely finished and we lived through the process and we do a lot of the work ourselves, and when it's completely finished, and there's really nothing left to do then it's pretty boring and there's really no reason to stay, so you sell it, you move on, you look for the biggest piece of crap you could find.

Anyway, so the one that we're in now is an old Victorian, and it is massive. It's got this huge 12 foot ceilings, and all this stuff. We came in and we've got our tattered old ready furniture, that looks like we stole it out of like a dorm lobby or something, and we come into this massive house and we're like, oh my God, these walls are so huge. I have to put big colorful art on these walls, so it's 15 years ago is when I started painting superheroes because we came into this house that was condemned by the city.

It was a homeless, it was filled with homeless squatter and things like that, and so we have this old dump huge house. I'm like I have to paint. I thought I'd paint directly on the walls. He's like no, just go buy a canvass, so walked to town, buy the biggest canvass I can which is like eight feet by six feet or something. I put it on my skateboard and walked the canvass home, and then I put it on the wall, and what do I love more than anything else in the world.

What is something that's going to make me feel so good when I see it, and it's bright and colorful. He's like well, obviously superheroes. I started painting 15 years ago or something. These eight foot by six foot or six foot by four foot or just these huge superheroes, and then it makes me feel good. I also, it works out really well because I'm on these really long conference calls as you know being in tech.

Jacob Morgan: You got something to stare at on the walls.

Jenny Dearborn: Well, it's something to do, so I paint while I'm on these eight hour conference calls. If I know I'm going to have a six, eight, or 10 hour conference call which happens a couple times a month. I'll take the [crosstalk 00:12:25]. It is, it is, and so I take the call from home. I'll take the call from my studio and I have a cordless headset and I'm walking and painting and pacing and painting while I'm talking.

I need to do that so that I can listen. I need to have this kind of going on in the back of my brain so that the front of my brain can actually hear and focus and pay attention. That's the ADHD part.

Jacob Morgan: Totally get it.

Jenny Dearborn: Yeah. There's a lot of research out there about the dangers of multi-tasking, but I think that's for normal people. I think that's for people whose brains work normal, whatever, how they're supposed to. But for my brain, I have to do that in order to free up the consciousness part that can pay attention. Anyway, now come to my house and my house is filled with these just gigantic superhero canvasses. Sometimes I give them away. I've sold a few, but for the most part, there's probably 20 or 30 giant paintings throughout my house.

Jacob Morgan: What's a day in the life of Jenny look like as the chief learning officer of SAP? Are you up at the same time every day and then going into work or is every day kind of like a different thing for you?

Jenny Dearborn: Everyday is different but I'll give you. I'll tell you my day yesterday. Up at five, in the office at to deliver a broadcast to Europe at six, so from six to seven in the morning I was in the studio, in front of a green screen. Hair and makeup the whole thing done, like a weather person, delivering a one hour live video broadcast.

I did that, and then later in the morning we had ... I deliver our 2018 plans in the leadership and in the talent space to SAP's leaders and talent population, but 90,000 employees at SAP, 10% are people manager, so there's 10,000 people managers on the phone and then our expert population is about 21,000 people. There's about 30,000 people on a live broadcast call where I walk through, here's what's coming.

It's a once a quarter all leaders call, so I walk through here's what to expect in the leadership and talent space in 2018, so walk through that. I had a live radio interview with Sirius XM so I drove to someone's office who had a landline so I could do a live call in radio broadcast show. I came back to the office, I did a series of mentoring conversations, one on one mentoring conversations. Basically anybody in the company that sends me note that says can we have a cup of coffee, I want to talk about my career, I'm stuck, I'm thinking this, I'm thinking that. I've never turn anybody down.

It's just a matter of finding time for it, but I had I think, I had four one on ones back to back. I worked out. Went to the gym, I worked out and then I came back to SAP for the evening broadcast to Asia Pacific so the same exact thing that I did from six to seven. I came back and I did that again 8 p.m. to 9 p.m..

Jacob Morgan: Sounds like a pretty busy day.

Jenny Dearborn: Yeah, and then so that's I would say it's lots of conference calls, lots of face to face meetings, and then when I can. When I get quiet time is typically on airplanes, so I write book chapters or do more thoughtful reading and things like that on long haul flights.

Jacob Morgan: All right, your new book is out called the data driven leader. It's all about people analytics, which I know is a hugely important topic, so why people analytics? Maybe you can give people some background around what you're starting to see in that space, and why is people analytics such a crucial role for leaders today?

Jenny Dearborn: Yeah, absolutely. The first book, The Data Driven Leader. Sorry, the first book, Data Driven, which came out in 2015 is about how to apply big data and the four stages of analytics to internal business metrics to be able to better predict sales rep performance to increase sales revenue, so it was a very sales productivity driven.

The target reader for that really is the chief sales officer or sales leadership and when I did the book tour for the first book and talked about how this is just an example. It is just a way that you could use data analytics is in sales but you could really apply it to any functional area, and people are like no, not possible. No, really, the same concepts. The same steps that you would go through to get to root cause and pull the data sources together and triangulate the data sources and calibrate the algorithms.

It's really the same methodology if you're going to apply it to something like I don't know, leadership. People are like no, God, I don't believe you, that's crazy. I said "Okay, fine. I'll take your challenge." The second book really is about how to apply the most hardcore statistical metrics to something that is typically the most elusive and difficult to measure and subjective which is the leadership space.

How can these two things come together and how can corporate leaders use data in their leadership practices to be better leaders and make more of a contribution to their company, so that's really the rational of why this book came into existence.

Jacob Morgan: Do you have any stories or examples of how, I don't know if you guys have done this internally at SAP, but how you use data for leadership?

Jenny Dearborn: Yeah, of course. These are generic examples, but you could very easily use data. Where I have seen this most effective is understanding the best way to use your time, so if you are doing an intervention as a leader, you want to ... First, you take a step back and say what's broken in my organization? What are my goals? What am I trying to achieve? What is my purpose? If you know that really well, and you say okay my purpose is to be more effective in my product line.

In order to do that I need to have more innovation and in order to get more innovation. I need to get more productivity out of my key innovators and currently, my key innovators in my company are ... have low employee engagement so they're not going above and beyond. They're not extra committed, they're not giving it their all, to be innovative at this company.

That behavior on the ground can be linked all the way through to my top line objective as a leader which is to be more impactful in the market, have products that people want to buy, that have products that make the world a better place, have products that people think are innovative. That comes down to it's not just how much you spend in R&D, but that spend comes from people's productivity. Those are linked.

You want to drive higher engagement in these human beings that are driving the innovation. What are the things that you can do as a leader, and you can try different methods and then measure engagements. Whether or not we can try and change the compensation structure, does that change people's engagement, are they being more innovative.

We can change and have more of a flexible work environment. Does that change engagement? Does that change productivity and innovation? We can say you can wear whatever you ... It's a business casual or you can wear whatever you want or not, or like Yahoo did. They said everybody has to come into the office, and then they reversed on that. There's different things that you could do as a leader to address culture which then drives behavior which then links to performance, which then drives business impact results.

You really start as a leader with what are the business impact results you're trying to achieve? What is your goals? What are your objectives? What's your purpose? And from there higher statement, you can bring it all the way down to the ... You can peel off every layer and get all the way down to the ground and understand your behavior and your interventions as a leader and whether or not the things that you're doing are making things better or making things worse in alignment with achieving your goals.

Jacob Morgan: Let's say, I'm a, I don't know, a 5,000 person company.

Jenny Dearborn: Yeah.

Jacob Morgan: I'm just trying to think of how you go through thinking about this because a lot of companies don't even have people analytics functions really going yet. They're like just thinking about it, they're starting it. But let's say as a leader inside of this 5,000 person company, I noticed that we're having issues with employee turnover or productivity or engagement, whatever it might be.

How do you start thinking through that? Don't you need to have some sort of a benchmark first? How do you go through setting this stuff up and testing these things out? Does it take many years to do that?

Jenny Dearborn: It does not take many years to do that, and you can do it fairly simply and start small and that's the best way to grow a practice or grow a competence in something is just testing it out. A lot of people at different companies will say, well we don't have any data here, and so I challenge that, so of course you do,

you probably just don't know where it is or you have a lot of data, but it's not giving you any information.

There's no insight, there's no ... the data isn't telling you anything, there's no analytics on top of the data. I would start by a small company, you could a couple hundred person company. You could do a 100 person company. Start with what is all the information that you do know? What is your current state and where are the problems? What's working well, and what's not working well, and what data do you have that indicates one thing versus the other?

How many employees are you hiring a year? What is your attrition? What is the average age of your employees by role? Is that a too higher, too low, or just right? What is your addressable market? Who's working on which accounts? Which accounts are most successful and productive? Is there any correlation between who's working on them and how well they're doing? Where are your customer service problems?

Where is it? What's slowing your supply chain? What is the benchmark for your industry? Whatever you're doing, you have someone or something that is a competitor. Gather information about your industry, your region, your town, other businesses just like you, other organizations just like you. What are they doing? What's keeping them up at night? Start by gathering as much facts and data and information as you can objectively, unemotionally.

Take a step back and see what you have and then say do I see any patterns? Are there any connections? Do we notice that all of the accounts that are doing poorly have a sales rep that's linked to one particular manager or doing poorly have sales reps that got X, Y, Z product information while the accounts that are doing well got A, B, C product information.

What's the story behind the data? What's the pattern? The more different data sources that you can put together into one analysis, the more insight you're going to be able to get from that data.

Jacob Morgan: It sounds like you start by asking a lot of questions.

Jenny Dearborn: Absolutely, absolutely.

Jacob Morgan: Okay. It sounds like step one is figure out what questions you want to answer, and then look at your existing, what you have inside of the company as far as data goes, and try to put that stuff together. What skills are required? From somebody that is perhaps looking to get started on this people analytics journey, and they want to put together a team.

How big of a team? What sort of people should they be hiring? How do you give advice to people around this? 5,000 person company, I say "Jenny, I want to put together a people analytics team, what do I do?"

Jenny Dearborn:

You don't start by putting together a team. You don't need to hire anybody. You need to start with the most important skill that you need is curiosity and skepticism and then resourcefulness and research. Eventually as you get really deep into it, you need people that can pull reports, and people that can triangulate information and then eventually you're going to want, once you get something pretty sophisticated, you're going to want a data scientist, things like that.

To start with, you say it's really, you have a consulting engagement with yourself, okay. You have been hired as a consultant to work at the company where you already work. Pretend you're somebody from the outside, what would that person ask? They would say what are your problems? How do you know that that's a problem? What are you trying to achieve? What are the goals of this company anyway? Do you have a dashboard that indicates whether what's working and what's not working?

It's amazing to me how many companies when I ask them something really basic like what are your metrics of success? All my business is doing really well, how do you know? What are the six numbers that you can point to that says my business is doing well because this. Revenue is up, margin is up, cost are down, whatever.

I talk to small companies and it's like they don't understand that they're spending a lot of time with a customer that is yielding a really small amount of revenue or they have some accounts that work really well and other accounts they're spending so much effort. You're basically losing money because of all the time and effort that you have to spend with this particular account or this particular customer or whatever.

It's really starting with asking a ton of questions and doing the research inside your company, and you don't need an MBA or an undergrad in statistics or anything fancy. You need to be really curious and very skeptical and dig, and make friends, and get this information everywhere you can. Probably a critical skill is being non-threatening, and building relationships, and building bridges in different parts of the organization and get all the different parts of the organization really comfortable with you.

That if they share their data with you, because you're gathering everything together, you're not going to embarrass some. You're not going to expose them. Make them look stupid. You're not some whipper snapper millennial smarty pants, that's going to come and be like, dude, I can't believe you've been doing it this way for all these years. I just did this whole analysis, and realized that you're a fool and here's the data to prove it.

This is a very intimidating thing and people aren't comfortable with it, so a lot of times people say we don't have the data in our company. I said I know that you do, but you have to convince the people that have it, that it's in their best interest to share it with you.

Jacob Morgan: Anybody whether you're in HR or learning or any kind of manager, you just need to start. Okay, I like that approach of having a consulting engagement with yourself. That's a good way to think about it.

Jenny Dearborn: Yeah.

Jacob Morgan: You mentioned millennials, so now you know of course I have to ask you about that. I always get this question when I speak at conferences. It's around millennial perspectives, are they different? Sense of entitlement. Let me ask you what's your perspective on millennials? Have you noticed anything different about them?

Jenny Dearborn: I think that all the original research that came out about millennials 10 years ago was very interesting. There were some very strong early research reports around all the things that you said, entitlement and all that stuff. I think the things that we're seeing now is saying millennials really aren't that different. There's just a lot of them and so I'm a Gen-Xer, I think you're a millennial, so my generation is so small that when I was 21 and said "I want to make sure that I work at a company that has a strong sense of purpose because the most important thing to me is making a difference in the world.

People said shut up, kid, and you did because you have this tiny little nothing sized generation and everyone around you is a baby boomer so you fell in line. Millennials are the largest generation in world history, and 50% of the global workforce as millennials by 2020, 75% of the global workforce as millennials by 2025, so when you have this huge critical mass, and you ask them all when they're 21, what do you want to do?

They were like I want to work at a company that has this great sense of purpose, because I want to be involved with something bigger than myself. Everyone is like, oh my God, it's amazing, it's different. I'm like well, it's really not. You ask anybody, it's just a matter of whether or not the world was listening, and they weren't when I was 21, but they are when you are 21.

That's awesome, that's great. When I speak at conferences, and I say to millennials, I'm like you guys better organized, I'm counting on you, change the world please. Because I had less influence because my generation was so small but millennials. Gather together, form a union, decide how you want the world to be different, decide how you want healthcare and childcare policies, and your corporate vacation plan and whatever. Whatever you decide. There's critical mass, make it so because you can.

I don't see a significant. I don't see a significant difference in the generations, only how much attention we paid to it, and because there's so much and no one was saying shut up, kid. Then those natural instincts are allowed to flourish which is great, which is great.

Jacob Morgan: Yeah, no, I agree. All right, so let's turn a couple of minutes and look internally at SAP. I'm really curious to learn what are you guys doing internally around learning, what are you doing internally around people analytics? Do you have any fun stories or experiments or anything like that that you can share so that people can get a sense of what, how you're putting these things into practice?

Jenny Dearborn: Yeah. We have a very robust learning and development program at SAP, and everything we do that has to do with our employees, our people is very grounded in analytics. It starts with a strategic talent planning or strategic workforce planning. We understand what's going on in the world, what are the global market forces, geopolitical events, industry forces, et cetera. What's happening in the world?

And then SAP says well, what is our purpose in that world? Our purpose is make the world a better place and improve people's lives. And from there we say well, what is our mission from there, goals and objectives, from there, okay what is our strategy to achieve those goals? And then What is our talent strategy? Do we have the humans that we need to make these goals and objectives occur, to make this strategy a reality, and so that's where it comes to my team is with the talent strategy, strategic workforce plan, and then the various pieces of the talent cycle which include learning and development. That's one of the pieces of my scope is learning development.

Jacob Morgan: Okay, very good.

Jenny Dearborn: Yeah, and so we use throughout this entire talent lifecycle. We use data throughout so for the strategic talent planning part. We will say here are the top roles across the entire company. We have hypothetically let's say, we have 300 data visualization scientists now. We know in two years, we're going to need 600, in four years, we're going to need 1,000, in five years, we're going to need 6,000 so this is our growth trajectory for this role.

We go role by role, how are the roles growing, or declining, and then based on that, that translates into our talent strategy of which learning development is part which jobs will grow, which means that we point people in the direction of certain career paths, so someone could say I'm a level one engineer, and I'm totally happy with that, and we could say but we're not going to need that moving forward, so I really need to push you hard to grow your skills in this area so that you are part of our future.

Jacob Morgan: That's actually really interesting. You know in advance what jobs and skills you're going to need before that time period actually happens.

Jenny Dearborn: Absolutely. Absolutely, we have to. You have to do to stay at the front of the curve. That's what the strategic talent plan is. Just like a product line and a corroboration never wants to be surprised and product R&D takes years of investment before you see the fruition of a product in market. That's a seven, five, three year process.

And aligned with that, there's a talent strategy, and then aligned to the talent strategy is your learning and development plans, because we could say we know in seven years from now I'm going to need 10,000 data scientists but as I go around the world, I noticed that every other company is needing data scientists also.

Well, the world from all of our universities, where we graduate enough data scientists into the market, into the talent pipeline. For me to hire the volume that I need at my company and the answer is likely not. So we can go role by role and we can track which roles we'll grow and shrink, and what is the talent that's coming online to be able to pull into those roles which is why you say well, I'm going to bet that these roles, I'm going to get them externally so I will go to talent acquisition for that.

For these roles, or for these percent of these roles, I'm going to have to get them internally which means I need a very robust three year learning transformation plan to get this population ready to become that type of human. It's not a quarter by quarter reactive thing. It's a long-term strategic play.

Jacob Morgan: Yeah, that sounds like it. Okay, you're able to predict these jobs in advance. What sort of other things are you using people analytics and data science for? And maybe as an add-on for that question, you can let us know or listeners know, what data does SAP have on its employees? Is it just the usual stuff, school, engagement report, salary?

Jenny Dearborn: Yeah, most corporations have a very extensive amount of data on their employees. It's just what are they doing with that information? For example, one of the things we really noticed as a key. Again it starts with what are your goals and objectives your corporation is trying to achieve. In order for us to be more innovative to drive the products and services that we need in the future.

We need leaders to be more innovative. You peel that, you double click on that and to be more innovative, our research says we need our people leaders to be better coaches and to do a better job of the developing and coaching their teams because a really good coach creates an environment of innovation.

Okay, so then you double click on that and you say how do you know that your leader is a good coach? This last year, we went, SAP went from doing annual performance ratings where you could say on a scale of one to five or whatever it is to having to not having ratings and to be documenting every quarter your coaching conversations.

We really shifted the culture from a documenting someone's ratings type of culture to a coaching culture that focused on potential and how do you foster the development of your talent. We have an internal tool for tracking continuous performance feedback, and every quarter, there's an open text box in this tool, and it's called SAP talk.

Your manager and the employee have an open dialog and they talk about it. They're just like these are where areas where I want to grow, this is what I want to do, and then the manager says well how can I support you? So they have a dialog about the employees potential and their development and then after that dialog both the manager and employee go into this tool, into this open text box and they document that conversation.

What we could do as a company is we can run an open text analysis of all of these open text fields, and run sentiment analysis using machine learning and look for keywords and triangulate the information about these keywords and in association with other words and the frequency and things like that and be able to come up with a coaching index.

We can say as a company this is our overall coaching index. Just like you have a employee engagement index which everybody knows is an industry standard index. It is based off of eight consistent questions, company over company, things like that so that you can really measure one company against another. We have a coaching index because we know that coaching and developing employees is critical for creating the end business result we want which is greater innovation.

That's an example of one of the data sources that we have access to and how we use that information. We don't use it at any kind of punitive way at an individual person level or for anybody to say you're not good at this, but it's a way to say here's an overall view of where we are in this important behavior.

Jacob Morgan: Interesting. That's actually pretty unique way. It's called the coaching index or coaching score?

Jenny Dearborn: Coaching index.

Jacob Morgan: Coaching index. I think it's a pretty cool concept. Listening to you talk, I just was wondering, do you do things like annual engagement reviews? You mentioned you are getting rid of or have gotten rid of traditional annual performance reviews?

Jenny Dearborn: We still have performance reviews. We do not have performance ratings. We don't come out at the end of the year with like I'm a four out of five. When I was at Hewlett-Packard, I think you got a one through five score, I can't remember. I can't remember if one was good or five was good, but anyway. A lot of companies used to and some still do.

At the end of the year, it's a bell curve, and 10% of people get to be a one, and 10% are five, and 80% of people are a three or something like that. You have some sort of rating. Either it's a guideline or a forced distribution, different companies do it different ways, but at SAP, we don't do the rating anymore.

Jacob Morgan: Okay, but you still do the annual process?

Jenny Dearborn: We still have an annual review that is a write up and a conversation to document performance but we've really shifted the culture to be more around continuous feedback. Continuous dialog and to be more about potential. It's a more of a positive forward-looking as opposed to a judgmental backward looking culture.

Jacob Morgan: You do annual engagement reviews?

Jenny Dearborn: Yeah.

Jacob Morgan: Okay, got it. I'm just trying to get a sense of if you still have some of the practices that most companies have or if you guys are totally doing something insane over there. [crosstalk 00:45:45].

Jenny Dearborn: We're a German company so it's really not that insane.

Jacob Morgan: Yeah, the coaching index I think is fantastic. That's definitely a unique thing to have. What questions are you asking? We talked earlier that it's important when you start off with people analytics to ask the right questions. When you're thinking about this internally, what questions are you asking internally at SAP?

Jenny Dearborn: Well, what I'm asking my team is how do things connect? The scope of my function is identifying the talent categories and trends and jobs and roles before somebody's hired up a peer that does talent acquisition, but then it comes to me for onboarding, goal setting, talent assessments, learning and development, yeah, talent is just when I said that, succession planning, off boarding, all of the talent processes, except for talent acquisition and total reward.

What I want to make sure my team is doing is connecting the dots. What is the red thread, what is focus on the experience. If you are a people manager, what is the experience that someone is getting. Does it feel disconnected? Like my job, this would be the wrong way. I was hired into this job with X, Y, Z job description and then when I got here, you guys started asking me to do something that's totally different. I feel like it was a bait and switch and then.

Jacob Morgan: Which is a very common thing.

Jenny Dearborn: That is common and then I'm given a set of goals and objectives that's not aligned to my job description and certainly not aligned to what my manager is telling me to do or surprised at the end of the year, this is what I'm measuring you on and you did this other thing, and you're like WTF, there is no connection between how I measured and what I'm being asked to do or maybe my performance review is not aligned to my compensation.

I'm being told to do one thing but then I'm being rewarded to do something completely different and then they're saying well, here's your gaps. Go take this

training class. Okay, if I do, is that going to make my performance better, and how do I know? If I do take this training class, is that going to put me in a succession pool that then takes recognizes me, and recognizes my performance and then gets me ready for the next step.

How do I know that these things are connected? How is learning connected to succession? Is connected to performance management, is connected to compensation and benefits? Are the people that are recognized as the top 10% of employees as top talent, let's say. What do they get and what is their experience and or does it feel herky-jerky. How does this relate to that, relate to that?

Jacob Morgan: Interesting things to look at.

Jenny Dearborn: I'm trying to get my team to simplify things. Less is more. We don't need another program. We need to fix what we already have. We need to make what we already have. Work really seamlessly. People don't want to complicated. They want it nice and clean. They don't need another class. They need to get the class that we already have more accessible, more interesting, more relevant, more aligned to their whatever. It's all about the employee experience or the leader experience.

Jacob Morgan: If only somebody had written a book called the Employee Experience Advantage, my goodness.

Jenny Dearborn: I think I might know somebody. I know somebody you can talk to.

Jacob Morgan: Yeah.

Jenny Dearborn: Yeah.

Jacob Morgan: I love the fact that you mentioned employee experience. I always love to hear people bring that up. I think that's huge. Yeah, I'm curious. You talked a lot about HR in your book, in the interviews that you've done, so are you under the HR function? Are you a separate function, like how does the learning piece play in the company as far as how it relates to HR?

Jenny Dearborn: Yeah. My direct boss is the chief human resources officer who is Stefan Ries, who's based in Germany and for our global company, so yeah, I am a piece of HR. But I've also had this exact same job and not reported into HR so I don't think it has to be one way or the other, and it really could play out in lots of different ways, whatever works for particular company structure. I know plenty of customers, people with my same rule that don't report into HR, and that works perfectly well.

Jacob Morgan: I had a couple people actually on LinkedIn told me to ask you this question and it's basically Christine or Crystal, I'm going to butcher your last name, [Verin

00:51:08] and Emma [Lomer 00:51:09]. They both were wondering how does or how do you become a truly human leader in a world that's being driven by people analytics? How do you balance what they said is body, mind, and soul in a data-driven world? They see that as quite a big challenge. Do you have any advice?

Jenny Dearborn: That is such an awesome plant. I believe in my heart of hearts that being a data driven leader allows you to be more human. It gives you the freedom and the opportunity to really focus on what are the uniquely human interactions, experiences, behaviors that people truly need, that are actually going to make a difference in their lives, in their performance or whatever.

If we spend our time spray and pray of programs and yeah, I don't really know which one is going to make anything better, and I'm going to, should I have a coaching conversation with you or should I spend my precious time sending out messages, promoting a particular new program, or idea. There's so many things I could do with my time, and I don't really know what is going to make the greatest impact in people's lives, in their engagement, in the productivity, in their overall joy at work.

We spend more hours of our day and more years of our lives here at work and with our work colleagues and with our families, and we do anything else. We get such a sense of satisfaction and personal identify from our work. Shouldn't we have our work selves be in alignment with our true selves, and our work selves be a place where we are feeling good and making the world a better place and bringing purpose and joy to ourselves and our families and others.

If we can figure out what are the things that we can do in a support role in HR or anything, what are the things that we can do that will truly make people's lives better and focus on that versus trying to figure out what might make a difference and hoping that it does, by doing a lot of other things, and experimenting.

Hey, you just spent a million dollars on a particular program. Did it make any difference? I'm not quite sure or you just put people through a four day thing, they said they really liked it, but did it make them more productive? I hope. We can be better at connecting with people and being more human, and more impactful when we know what makes a difference.

Jacob Morgan: Yeah, you're not worried, and I heard this from a few people. It sounds like the worry is that we're going to rely so much on data and analytics and AI and algorithms but we're going to forget about the human aspects of work and life, but it doesn't sound like that's a terribly big concern for you?

Jenny Dearborn: For me, I think that I believe, no I'm talking macro, so generations. I believe that we will evolve to have more leisure time, more work life balance, we already know that we're living longer and we're trending towards a higher quality of life

at a macro level. We already know if you're born today in North America, you have a 50% chance of living to 105.

If you're born today in Japan, you have a 50% chance of living to 110, so we're living longer and what we have to make sure that we do is that we spread economic opportunity equally across all people. The greater the wealth divide is in a country, the more unstable that community is. The more unstable those societies are. The countries with the smaller the wealth divide, the more stable, and prosperous, the higher the wealth divide, the more unstable those societies are.

That's an area of great concern but that's not a factor of AI, that's a factor of our behavior and our policies around the future of work and how we are making sure that retraining opportunities are possible and that work opportunities are equally spread across the country and things like that, but I don't see us becoming slaves to technology. I see technology freeing up us to be more human and be our best selves.

Jacob Morgan: I like that. I like the optimistic point of view. Do you have a couple more minutes, so I can ask you some question?

Jenny Dearborn: Sure.

Jacob Morgan: Okay, perfect. Just wanted to make sure you didn't have a hard cut off and I was keeping you. Maybe last question for you before I ask you some fun things is when you think about the future of people analytics and data, and where all of this stuff is going. If you were to imagine an organization, five maybe even 10 years out, nothing too crazy.

Do you see it being very different from the organization of today, like everything AI-powered, Amazon Alexa, voice control, and everything. What does that company look like to you?

Jenny Dearborn: Yeah, we will have more tools that support our productivity, yeah so that we will see more voice triggered support systems in our work environment. We will see a lot more voice to text in our everyday environment. I think our enterprise-wide software is on its way to advancing but we will dictate emails and a lot of what we will be doing will be voice to text, and that's a support system that we'll see.

We'll see more robots around in our lives, so we have robots now that follow a path and drop off mail, and pickup mail and you can see it as it goes by, and you set something on it, and you can pick something up off of it, and that's quite normal, and robots that are delivering room service in your hotel and all that stuff.

We will see more of these small scale service robots in our workspace. I don't think flying cars but I don't think five, 10 years out we will be shocked at the

progression of technology. I think it's on a pretty stable path that is relatively predictable.

Jacob Morgan: All right. Last question for you just because this one popped into my head when you were speaking. Have you ever made any decisions at SAP or at a previous company that you thought were right but then looking at data you realized were actually wrong?

Jenny Dearborn: Yeah. Immediately. Yeah, immediately something comes to my mind which was a bad decision I made based on pressure, political pressure at Sun Microsystems and all of the data supported a different decision and I buckled under the political pressure to ... It was a performance rating for an employee who ran a region, a sales region that was in my scope when I carried a quota, when I sold learning services.

That region over performed in every single metric, but politically that region was in trouble and very very strong pressure on high to not to reward people that were in that region. Even though my guy was absolutely doing everything, I caved, and didn't give him the highest possible bonus and all of that that he deserved.

Jacob Morgan: Interesting. That's a good story. All right, so now I have just a couple fun rapid fire questions for you. First one, what's the most embarrassing moment you ever had at work?

Jenny Dearborn: Oh my God, at work? Probably something dumb like having my fly down in front of a group when I'm speaking for a large audience. I can't remember when that happened, but it's probably something dumb, I can't think of anything. I can't think of things at work, but I fell down a flight of stairs on live television. In Sacramento, yeah, there was like the noon live news. And I was being interviewed and I fell down a flight of stairs on the live news broadcast.

Jacob Morgan: All right. That's a good one. That's going to be tough one for other executives to beat. [crosstalk 01:00:50]. Kind of work-related I guess. If you were a superhero, which one would you be?

Jenny Dearborn: Well, I love my Wonderwoman, she's my girl, yeah, I got to say.

Jacob Morgan: What's a book that you recommend? It could be either business or non-business.

Jenny Dearborn: I am reading right now the biography of Albert Einstein by Walter Isaacson. It is unbelievable. It is not too scientifically, it's not hard to, as a non-science person to grasp, but is phenomenally good.

Jacob Morgan: If you were doing a different career, what would you be doing?

Jenny Dearborn: Oh my God, so many. I'd be an artist. I'd be a filmmaker. I'd be an actress. I would open up a restaurant. I would be a high school volleyball coach. I'd be a teacher for sure. I'd go back and be a literature teacher at the college level or junior college level.

Jacob Morgan: You have options?

Jenny Dearborn: Oh my God, I'd love to do so many things.

Jacob Morgan: If you could have dinner with anybody alive or dead, who would it be?

Jenny Dearborn: I would go back to my grandmother, she was such an incredibly important person in my life. She lived to be 100. She was independent her whole life. Every day that she was alive, she was more optimistic and positive than the day before, and she was sharp as a tack, and spoke a bunch of different languages, and she was a professional artist, and she's the coolest lady.

Jacob Morgan: Wow. All right. Last three questions for you. If you could live anywhere in the world, where would it be?

Jenny Dearborn: Oh my God, I love where I am now.

Jacob Morgan: Bay Area.

Jenny Dearborn: I love Silicon Valley, but I also am very, very fond of the southern coast of Spain, so the Costa Del Sol.

Jacob Morgan: All right. If you could get rid of one workplace practice tomorrow at SAP, which one would it be?

Jenny Dearborn: You tricked me because you're going to say SAP because I was going to say sexual harassment and bullying in the workplace, but I don't see that happening here at SAP, so something that's at SAP that I would get rid of.

Jacob Morgan: Like there was an eight hour long conference call.

Jenny Dearborn: I can't say that because the alternative is get on a plane and fly to Germany for a one day eight hour meeting and then fly back. I don't want to do that. You got to figure out how to make it work so that you don't have to get on an airplane. Work practices, the cafeteria in Germany is so bad. The cafeteria, the SAP cafeteria here in the Silicon Valley office is really really good, but the one in Germany is really bad. I would.

Jacob Morgan: Fix the cafeteria.

Jenny Dearborn: I would absolutely fix the cafeteria. The food is so bad.

Jacob Morgan: Last question for you. If you could implement one workplace practice at SAP, which one would it be?

Jenny Dearborn: Implement a workplace practice.

Jacob Morgan: Yeah. Tomorrow you wake up and they say anything you wanted SAP starts now. What would you say you want them to do?

Jenny Dearborn: I know exactly what it is. I want an auditorium. That's what it is. I want an auditorium. All the largest meeting space that we have here holds like 400 but it's our cafeteria so we're always like doing our cafeteria to be a space for big, big, big meetings. I want a proper auditorium with what's it called a slanted seating, just like a movie theater, that's what I want.

Jacob Morgan: Very cool. Well, Jenny. Thanks for taking so much time out of your day to speak with me. People don't even realize that it took us half an hour before this podcast even started to get Skype to work. Different computers, and it turned out it was your computer that's cursed.

Jenny Dearborn: I know, come on now. Yes, we had to swap computers on my end. There's some sort of vortex around my computer.

Jacob Morgan: Well, where can people go to learn more about you, the book, which I think just came out November 6th, right?

Jenny Dearborn: It did. Well, you could Google me. All my articles come up in Google. You can go to my LinkedIn page. All of my articles and interviews are there. My Twitter is @dearbornjenny, my website is @jennydearborn, no, it's www.jennydearborn.com, and the information about the book and speaking tours and articles and upcoming events, things like that.

Jacob Morgan: Very cool. Well, Jenny. Thanks again for taking time out of your day. Really appreciate it.

Jenny Dearborn: My pleasure my friend.

Jacob Morgan: Thanks everyone for tuning into this week's episode of the podcast. My guest again has been Jenny Dearborn, SVP and chief learning officer at SAP. Make sure to check out her new book which I had a chance to read called the Data Driven Leader. I will see all of you guys next week.

