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: Hello, everyone. Welcome to another episode of The Future of Work Podcast. My guest

today is Andy Lee, CEO of Alorica. Andy, thank you for joining me.

Andy: It's great to be here, Jacob.

Jacob: I have lots of questions for you today. But before we jump into that, I'd love to learn

more about you as I'm sure would the listeners. Why don't we start with what do you

do, and what does your day look like as CEO of Alorica?

Andy: It's a great question, Jacob. I'd say every day is a little bit different. I run a company that

has around 100,000 employees around the world. We have incredible clients and partners across the entire spectrum of all industries from healthcare to retail to E-commerce to consumer electronics, communications, cable. I spend a lot of my days either speaking with clients about the challenges that they're facing and the things that they hope to accomplish in terms of becoming better engaged with their consumers and

customers and finding different ways to understand and hear their voice.

Andy: I spend a lot of time internally with our people understanding our people and

understanding what's important to them. What we can do to help make our people more successful, more effective, more efficient, more satisfied with the work they're doing. I spend a lot of time thinking and working with our technology teams to understand what's available, how we're approaching solving those problems that our customers and our employees are facing, and how we make our business better. Then, I wish I had more time to do this, but I do spend a lot of time thinking about what the

future of the world looks like and how we best fit into that future ecosystem.

Jacob: How do you start your day? What time are you up in the morning? Do you have a

regular routine that you practice? Or is everyday just kind of all over the place?

Andy: That's a great ... I wish. Okay. I would tell you what I wish I do. I wish I woke up at like

5:00, and I wish I went to workout, and then I wish I started my day after having a cup of

coffee. But I'm not a super-early person, so I typically wake up at seven. The first thing I do, unfortunately, which I know that every study tells you not to, is I look at my phone and check my emails and see if there's anything on fire. I drink a cup of coffee. Then hopefully I get to see my kids before they go to school. Then I usually get in the office around 8:00 and start meetings or calls then. Basically the day's filled pretty much with meetings or either over the phone or in-person and going through reports or traveling. There's a lot of travel that's required in the job as well.

Jacob:

How did you get to become CEO? Because I heard that you actually started off with our own business. As a kid you had vending machines. Then you did exporting confectionary and beverages to Taiwan. Now you're the CEO of a company with over 100,000 people. How did you go from vending machines to confectionary to CEO of Alorica?

Andy:

That's a great question. Actually I'm the Founder of Alorica. I started the company in 1999. What I really had started the company to do was to ... Actually, we had started as a software as a service provider. Around the same time as Salesforce, and at that time Salesforce was focused primarily on CRM from a sales perspective. We were primarily focused on providing a software as a service from a service application perspective. We were primarily focused on helping computer and technology companies be able to manage their products and customers from and end-to-end perspective. Somebody will buy a computer and we would be able to track that customer and their computer from the time they bought it all the way until the time that it was disposed of and handle everything in between. Create deep insights into the product and the reliability and the opportunities for improvement as well as manage that customer through its life cycle, finding different ways to sell different components and peripherals and other things to them.

Andy:

We were early in terms of the technology. We were really big in terms of what we were trying to solve. For the first three, four years that's really what we worked on. We're very fortunate to work with some of the larger names in the computer industry at that time and be able to provide that end-to-end capability for them.

Jacob:

What does Alorica do?

Andy:

What do we do today?

Jacob:

Yes. What is your main business for people that are maybe not familiar with Alorica or even in the category that you guys operate in? Maybe you can give people some background information around what you guys do and what even your industry is all about.

Andy:

Yeah, that's a big question as well. Probably the best way to put it is we're a customer experience provider. The largest companies in the world ask us to engage with their customers on their behalf, which means when a consumer buys a product or subscribes to a service like a wireless phone or cable or does E-commerce shopping or in any way, shape, or form engages with any company. Like so, it could be your healthcare company. It could be your bank, your credit card, your insurance, your Uber, your Lyft,

your airline, hotel. In each one of these instances, customers engage with these companies through multiple channels of communication, which include voice, email, chat, social media.

Andy:

On our client's behalf, we provide the staffing, the facilities, the technology to engage with those consumers to solve their problem, to take an order, or to resolve whatever issue that they may have, or inform them of something that they need to know. Probably the best way to say it is that we are a provider of skilled labor to solve problems for our clients.

Jacob:

What would be some examples of where people may have come across Alorica probably without even realizing that they're actually working with Alorica?

Andy:

If you were to call your wireless provider and ask about your bill or want to change your plan or upgrade your phone, you would probably most likely be speaking to one of our associates. If you are calling your cable company and wanted to add a different package or purchase a pay-per-view, you might be speaking with us. If you were to call your favorite E-commerce company, online company, and wanted to place an order, get more information about a product or return something, you might be speaking with us. If you were to call an airline to book a ticket or travel, online travel agency to book a ticket and a hotel, you might be speaking with us. If you're enrolling into a healthcare plan or had questions about the medication that you should be taking based on your insurance coverage, you might be speaking with us. There's a significant amount of ... Or if you had a TV or a computer and you had a technical issue, you might end up speaking with one of our agents as well.

Jacob:

You guys serve a lot of different companies and industries?

Andy:

That's right.

Jacob:

This is also an industry I'm not super-familiar with either. Of course, I've heard of it. I'm aware of it. But why don't a lot of these companies ... Why go with an Alorica instead of why aren't they hiring these employees themselves and just doing everything in-house?

Andy:

Well, I think as businesses have evolved, businesses continually ask themselves, "What are we best at?" What is our core competency? What are the things that we need to do best? Everybody is starting to specialize in things. Companies look to Alorica because we specialize and we invest in attracting, developing, and performance managing people. Regardless of the task, regardless of the work, we're able to put more energy, more focus, more investment in the functions of attracting, developing, and performance managing people at very large scale. If you think about a lot of companies, the amount of attention that's required to manage 100,000 people-

Jacob:

That's a lot of work.

Andy:

That's a lot of work, and it may distract you from designing the best product or coming up with the best service, or focusing on technology. It may be a distraction, because

there's only so many things that you can focus on and be great at. What we've chosen to do is to be great at the science and practice of attracting, developing, and performance managing people. We invest a lot in not just doing, but also in the science of match, so understanding people's personalities and what skillsets they have that would best correlate with different types of work. We invest in the science of recruiting. How do we find those people in all the different labor markets that we reside in? Then we invest a lot in the science of training and learning. How do people best learn? How do we help people learn faster and retain more in a shorter period of time?

Andy:

Then we also focus a lot in the science of performance management. How do we understand where people are being successful and help them do that more consistently? How do we find out where areas that people are struggling and help them to become competent quicker? If you think about every company and the amount of time that they have every day, every company can't do everything all the time. Or they can't be great at everything. We as a company have chosen to really be focused on this aspect of the business ecosystem. I think that's why companies call us, because we're able to find large quantities of people that match their criteria. We're able to attract them, train them, and manage them to deliver very specific outcomes for our clients, which typically include a customer satisfaction metric or an efficiency metric.

Jacob:

The category for those not familiar, BPO, Business Process Outsourcing? Right? Is that the-

Andy:

Yes, that's the industry term that we like to use, and it sounds very serious. But it really is a business process. Outsourcing is just another word for partnering with a company so that everyone can do what they do best. That's really how we really do look at it. We look at ourselves as an extension of our clients in understanding what their goals and needs are. We focus on doing on what we do best, so that our clients can do what they do best.

Jacob:

I imagine this probably a very tough industry to be in because you have so many different customers all over the world. You have employees all over the world. Each one of them are working with different customers. They have to know different products, different information. You got to teach them in different ways, train them in different ways. How do you manage and balance all of this? Because I would imagine the training that you guys have to go through, or that you implement inside of Alorica, is probably much more complex that the training inside of, let's say, I'll call it a normal company?

Andy:

Well, Jacob, I think you've articulated really clearly the things that I think about every day, which is we have a highly complex environment. Because unlike our clients who have a specific product or a specific service, we have to be experts in so many different areas. That doesn't mean that every individual in the company is an expert in every different industry or every different practice. It means that we have teams of people who specialize in specific verticals or specific functions. We have teams of people who are focused in training, so in terms of the science of learning. We have like a platform that really focuses in on how people learn most effectively. But then we take that platform and we apply it to different industries. Whether it's a healthcare application or

a technology application or a consumer finance application, we'll take that fundamental platform and customize it for that industry vertical or that specific customer.

Andy:

There's a lot of design work that needs to be done, and it requires that we have lots of people with lots of different skillsets. Again, our biggest challenge is to continually find people who have very specific skillsets that we can slot into different areas of the company to be able to serve our customers better. But it really is a people business. It really is a business of applying technology to help our people be better, faster, smarter.

Jacob:

Well, I guess, speaking of technology, there's a lot of conversation around AI and automation and jobs and what the future of all that is gonna look like. Maybe we can talk a little bit about just starting high level with your general thoughts on AI and automation. What are you seeing there? What are you paying attention to? Then maybe we can talk about the impact that this might be having on your industry.

Andy:

Yeah, that's great, a great question, Jacob. You know there's a lot of chatter and noise around AI, machine learning, automation. It's really interesting, because it's no different than any new technology that comes out. The hype is always so much better and so much more interesting than the reality. I'm really excited about the technology, because I think there are so many applications that we can utilize technology to help our people be better or help our customers become more efficient.

Andy:

But the reality is, when it comes down to machine learning and AI, it that we're still far away from the day where a customer can talk to a machine and resolve 100% of the issues that they might be able to do so with a human. Machines still don't have the ability to have full context that a human has. If you think about a machine, you're really starting off with a completely zero slate. Humans by the time you're 21, you have 21 years of context through engaging with friends, school, TV, movies, podcasts. But if you are a computer, you have no context. The question is: How do you get a machine to have enough context to be able to answer a question. It's a really interesting thing that a lot of people are spending a lot of money trying to solve. There's been an amazing amount of progress in what I would call the last 10 years and even more so over the last three, four years. It continues to accelerate. But we're still in the early phases of really understanding how to do it well and how to apply it. But when it comes to our business and it comes to things that our clients are trying to solve and how we're applying it, we're really focused on automation. We're really focused on finding those tasks that are redundant or the similar tasks that we can eliminate human touch from. If one of our agents has to do something a hundred times a day, how do we find a way to automate that task so that they don't have to type something a hundred times a day, but can really focus on listening to a customer and really understanding what they're asking and focus on being empathetic as well as serving the customer better?

Andy:

We're looking at and we're implementing automation in many different areas that just makes people's jobs a little bit easier and allows them to focus on the more high value aspects of what they do. We're continuing to use analytics to understand patterns and behaviors, whether it's for understanding what customers are looking for and how best to respond. Or even what type of personality is best suited to handle what type of customer or even what type of customer. It's no different than the algorithms that we're

working on and looking at in some ways are similar to what the Match.coms are doing. Where they're trying to find personality profiles that have a higher percentage chance of being a match. We're working in applying those types of principles to our business as well.

Andy:

It's a really exciting time to be in business today. I think there are so many new technologies that you can apply. We're applying chatbots to recruiting. In the past we would have lots of applicants have to call in and speak to recruiters. But the reality is the majority of those interactions are the same, which is there is somebody who is looking for a job. They want to understand what the job profile is and different characteristics of the job. We can answer almost 100% of those questions through chatbots now. It's a highly efficient interaction that I think our applicants from all the data that we've seen have had extremely positive reactions to. Now we're starting to take those experiences and apply them to our customers' businesses as well.

Jacob:

You mention quite a lot there, so I have a couple of follow-up questions. I guess starting with looking at the world of chatbots, because that's a very, I think, an interesting space. We keep hearing about chatbots in the customer experience side, the chatbots for the employee experience side. I hear very mixed things from companies and even from individuals. Sometimes you hear stories that chatbots are useless. They don't do a good job of answering any questions and people get frustrated and then it's annoying. Sometimes you hear positive experiences like the one that you mentioned where you're able to answer questions that a prospective employee might have. Is a chatbot AI? Would you bucket it under the AI category?

Andy:

Would I bucket a chatbot under the AI category? Well, it's funny. I think a lot of people are putting everything into the AI bucket.

Jacob:

Yeah, that's the confusing thing. What is AI even anymore? How do you explain it?

Andy:

If you were to ask me, I would say chatbots are more like rules-based automation. Okay? Where it's more about if-then statements. If a person asks a question and they answer A, then do this. To me that's not really AI. Okay? That's just using logic and using some technology to create some decision trees. But a lot of people think that that's AI. To me, AI really starts with machine learning. That's the most complex part about AI is how do you teach a machine a subject so that at some point in time that machine maybe in the beginning is 30% accurate or has the ability to answer 30% of the questions. Then maybe the next day 35. Obviously, the goal is one day to be able to get to a hundred. Now I don't know that that's gonna ever be possible except for maybe more simplistic or basic type of questions.

Andy:

But AI is the ability for a computer to start to have the ability to make contextual decisions. A chatbot to me is one-dimensional. It's really like pre-programmed to go through a decision tree, whereas AI is many layers of multi-dimensions. I don't personally consider chatbots AI. But whenever something becomes really over-hyped, everything gets piled into that box. I don't know if that answers your question, Jacob.

Jacob:

No, it does, because I totally agree. I don't bucket a chatbot under AI, but I feel like nowadays, you're right, everything goes under the AI category. To the point where it's sort of like I ask people how do you define AI, and it doesn't seem like there's a common, acceptable definition of what AI is. Which is weird because we keep talking about it, but there's-

Andy:

Jacob, I'll tell you the funniest story. I've brought in some of the biggest AI companies in to meet with me. I said, "Show me some examples of AI." The example they showed me is something that I did in 1999. It was the first thing that I did, which was I built an email response engine where a customer would write an email and we would able to extract the contents of that email, and then have multiple pre-populated answers on the screen for an agent to pick from.

Jacob:

This was in the '90s you did this?

Andy:

Yes. It's like well if the customer said, "I have a question about product x, and it's regarding y," like this type of problem, da, da, da, da. "Can you help me? What should I do?" Then on the right, it's when that email came in, the agent would see that customer email. They would see some possible answers on the right-hand side of the screen that had answers that were associated to the words and context that was in the email. This is in 1999. They would read the email, then they would read the response, and then click on the one that most was like it. It would populate the email, they'd make a few changes, and hit send. Where that email might have taken 10 minutes in the past, it took like two minutes, one minute.

Andy:

When I asked some of these really big companies who are really focused, spending a lot of money on AI, to show me the application, that's what they showed. Then my kind of thought was, "Well, that's really funny. I didn't know I was doing AI in 1999."

Jacob:

What did you say when they showed you that? Were you like, "You need to leave right now?"

Andy:

No, we're much more polite than that here, but we did say that that seems extremely simplistic. It seems more like a rules-based decisioning system than real Al. But, like I said, the technology companies are fantastic at marketing. You've got to build the hype, but you've got to dig into the hype. When you really dig into the hype, what you really find is a lot of what's being done to make things look really sexy and interesting is that behind the scenes it's just a decisioning tree at the moment.

Andy:

Now I'm not saying in the next five, 10 years there aren't gonna be incredible applications. But if you really ask people to show you something, a lot of what I see today is that basic. But technology doesn't move forward unless you sell a little bit of hype while you're working on the reality.

Jacob:

Yeah, in fact, I don't know if you saw a recent article in The Wall Street Journal. They were talking about IBM Watson. Years ago, a lot of people were saying that IBM Watson would help cure cancer. It would be really great at diagnosing all these things. A recent

article came out ... two, three weeks ago ... that actually said that a lot of hospitals and doctors are actually getting rid of Watson. Watson has not lived up to the hype. It largely failed to do what everybody thought it was gonna do, because the field of cancer research is changing so quickly that they're not able to update things all the time. That oftentimes IBM Watson, it diagnoses basically the same way that a human would. There's been this kind of like the air has been let out of the balloon when it comes to the applications of IBM Watson in healthcare.

Jacob:

Part of me wonders, if you look at the history of AI, there's always like these boom times. Then there are periods that they call the AI winter where we realize that we've reached a hurdle. The funding dried up. We can't make progress in something. Part of me wonders if even in the coming years if we're gonna get to some sort of like an AI winter where the bubble is collectively bursting, and we're like, "We're really not there where everybody says we are." So, I don't know. It seems-

Andy:

I would say this. People, I think, when they hear AI, they're like, "Whoa, I just need to plug in this magical black box called AI, and all my problems will be solved." Then I think when they start going on the journey and they find out how much work is required and how many hurdles are really in front of you ... You had mentioned it ... but it really starts to test your fortitude for wanting to do it. You were mentioning Watson. They said many, many years ago that Watson would beat a chess player. If you really think about how many years it took to do that, I think it was 20 plus, if I'm not mistaken.

Jacob:

Yep.

Andy:

I could be wrong, so don't quote me on it. But my recollection is 20 plus years. The question for every company is: How committed are you to that path? Because it is not a plug it in and watch it solve problems process. It is something, like you mentioned, that requires continual focus, energy, investment. You know what? For 99 failures, there's probably one success.

Jacob:

There's the famous Jay-Z song. I got 99 problems, but blank ain't one. I won't repeat it. But it's, yeah, you have 99 failures, and you get maybe one success.

Andy:

There you go. Exactly. That's right. The thing that I do believe though is that what's great about our country, this world, is that people are willing to take those challenges, so I do believe we will see progress. We're committed to continue to focus on the science of learning and not give up. But I'm also extremely pragmatic and realistic in that there is no silver bullets, and these things all take time. Collectively I'll get there, but it's not overnight.

Jacob:

For sure. For sure. It's also really interesting that there's always a lot of talk when you hear about outsourcing. A lot of people always talk about outsourcing to other countries and other parts of the world. But few people forget that there could also be this idea of outsourcing to technology. That's outsourcing to AI, to machines, to automation, et cetera. I'm curious to get your thoughts on that. How do you balance the human side

with the technology side? It seems like there's a little bit of ethics involved, a little bit of social responsibility to make sure that we're still looking after people as well.

Andy:

Yeah, that's a great question. We think about this question quite a bit. When I think about this challenge, in the long run, it's not something that's one year, two years, three years away. But it's a huge challenge for our entire society. It really comes down to how do we train the workforce ... the entire workforce, the workforce that's in jobs that may have more risk ... how do we work on training a larger population of the workforce to have different skills sets? Because the bottom line is the world is changing. You can go through history and you look at every different country. The work that every population in every country around the world has done, it's continued to evolve. Evolution and change is the only constant in the world. The best thing that we can do as a country, as a world, or even as a company ... just one company in the ecosystem ... is to really think about what the skillsets of the future are gonna be required and help our workforce get there. Those are the things that we tend to think about quite a bit as part of our really long-term strategy that we're really focused on. What are the skillsets that are required? How do we teach our people how to do more of that and be part of that future?

Jacob:

Well, now that you mention it, what do you think some of those skillsets for the future are? What are you guys focusing on? Maybe after we talk about what those skillsets are, then we can jump into maybe some of the stuff that you guys are doing to help make sure that you teach those skills to your people?

Andy:

Those are great questions. Look, in one hand, I think there is a significant amount of work that will be applied to automation, which means taking simple tasks and automating them. That requires heavy process and technology-driven skills that can study workflows and find ways to create efficiency through that. These are skillsets like six sigma skillsets and engineering skillsets. We've got to teach, we've got to create more people who understand how to do that type of work. That's a very logical sequential type of work. I think having really strong logic and ability to apply logic to process and engineering is really critical.

Andy:

Now, our workforce today that is on the phones, that were used to answer really simple questions like, "What's your bill?" A customer calls in and say, "Hey, what's my monthly bill? How much do I owe this month?" All they have to do is look in the system and provide an answer. Well, those kind of tasks aren't going to be really required in the future. But what will be required is more complex questions. What's really interesting is how do you define complex? What is the definition of complex? I think the definition of complex when I look at it in terms of the type of work we do, just answering customer questions, is that you need people to have really strong listening skills and the ability to understand the context of what a customer is really asking for or asking. Because the questions no longer are like a binary question of yes or no, like zero or one. The questions require the ability to apply a set of logic to a specific set of contexts. That gets to the root of thinking, critical thinking.

Andy:

I still remember ... I'm Asian and when I talk to my parents, they grew up in Asia, and they were taught in school through memorization. They were taught to memorize everything so you always had the answer. But I think when we looked at the education

system here in the US, there was big focus on critical thinking, which is how do you take a set of complex variables or multiple variables and apply context and logic to come up with an answer that's not so obvious. I think that is a skillset that we need to be able to teach a larger population of the workforce.

Andy:

I think if when you look at the top of the pyramid of work, the highest paid jobs, of course, lots of people in that segment have those critical thinking skills. The question is how do we start to teach that critical thinking skills to a much broader group of the workforce? Right?

Jacob:

Mm-hmm (affirmative). Yeah.

Andy:

The workforce which used to just do what I call turn and type or answering simple questions or routine tasks. How do we teach a workforce that does routine tasks to be able to think more critically? I think that's one of our biggest challenges going forward because the routine tasks, those are the jobs that will be most at risk. We've got to teach more people more critical thinking, and that's not easy.

Jacob:

Yeah, and it's interesting that you mention memorization as well, because that's how most schools operate. Even when I went to college ... as I'm sure when you and your family and a lot of your friends went to college ... you're basically taught to memorize stuff from a book and then to recite that stuff during a test. It feels like this whole idea of memorization is just like ingrained to every aspect of how we're supposed to learn, which is totally wrong. We're now realizing that that's like not a great way to future-proof your career and your life just by memorizing stuff.

Andy:

That's right, because if you think about, you just ask Siri. If anything that you need to memorize, you could probably ask Siri, and Siri could tell you the answer. Right?

Jacob:

Yep.

Andy:

That is definitely not the way of the future. But critical thinking is not an easy thing to teach. Right?

Jacob:

That's true. No. Well, you talked about some of these skills that are gonna be important. How do we begin to start to teach these things? Maybe you can talk about, I don't know if there are any specific programs that you have going on inside of Alorica? Any stories or examples or details of how you are trying to instill and bring these skills into your company? I think people would love to hear that.

Andy:

Yeah, so this gets into the science of learning. One of things that we have a fairly strong belief in is that people learn in very short bursts. We have been investing a lot in microlearning. We really believe in microlearning, which is teaching content in very, very small bursts, five to 10 minutes. I think people in general, attention spans have gotten shorter and shorter, which is why you see kids today unable to watch a two-hour movie or even sit through a one-hour TV show. Right?

Jacob: Yeah. Pretty crazy.

Andy: It's crazy because they're used to five-minute snippets, two-minute snippets on

YouTube. Rather than fight that trend, we're using microlearning to ensure maximum engagement of people's attention span. What we've seen is that through microlearning, people retain 20% more information, and we eliminate retraining by 80%. Using these short burst videos, we're able to teach concepts to people with higher retention and less

rework or retraining.

Andy: I think the other aspect that's really critical is doing role-playing in group sessions. The

ability to experience and talk through scenarios in a group setting, we find is also extremely helpful. You can take a complex situation. You listen to a customer call that has no black and white answer. In the group setting, you dissect call and how it was handled and you discuss, "Okay, where did we do well? Where were the opportunities?" We talk about the different paths and the different outcomes, and everybody learns together and has shared experience. There's no substitute for that quite honestly. Because that's where you create a safe environment where people can ask questions and people learn through discussion. We believe it's short bursts and through discussion

that people actually have the best ability to learn.

Andy: Within our organization, we have Alorica Academy as well as the Alorica Language

Institute. Where in the Alorica Academy we're teaching leadership skills, which is all around critical thinking and situational behavior and which means like teaching leaders how to assess situations and pick the right action. We do a lot of role-playing in Alorica

Academy.

Andy: Within Alorica Language Institute, we're teaching people around the world how to speak

English more correctly as well as understanding context and cultural issues, so that when they're speaking to customers and consumers, they understand the context of the question that's being asked. But that's all through role-playing as well, as well as microlearning videos. We're really trying to apply those two concepts to a variety of

different specific tasks.

Jacob: What is it like to work at Alorica? I know that's probably a hard question to answer

because you have some people that are in corporate. You have some people that are different parts of the world. But in general, if somebody were to say, "Hey, what is it like to be a part of Alorica?" How would you describe or explain what it is like to work there?

Andy: Well, we've experienced a lot of growth extremely rapidly. Over the last three years,

we've probably grown four x, and so I think-

Jacob: Which is crazy by the way. That's like insane growth.

Andy: Insane growth, and so I think the interesting thing is that if you're curious and interested

and you're willing to ask questions and dig for opportunity, there is significant

opportunity to move all over the company, whether it's from one country to another or

one department to another to develop different types of skillsets. But it's extremely fast-paced, so you've got to be able to adapt quickly and know how to ask for help.

Andy:

I think one of the best things that I see in our company is there is a lot of pride in mentorship. Wherever you go in the company ... It doesn't matter what part of the world, doesn't matter what function ... what you hear the most is people who say, "I'm so proud of so-and-so. They used to work for me. I mentored them, and now look what they're doing in the company." Or you'll hear statements like, "I really love my manager, Joe, because Joe really focused on teaching me these skills and helping guide my career. Today look what I'm doing today. I really love what I do, and I've progressed on these ways." I think the great, the best part, is that we have a workforce that really finds pride and joy in helping others develop and be successful.

Andy:

But it's like anything in life. It doesn't just come. You have to actively search for it, meaning you have to be open to it. You've got to put yourself out there as someone who's willing to do it. Like we always say, the more you put in, the more you get out. That philosophy applied to every part of life. This is an organization where the more you put in, the absolute more you'll get out, because there are so many people here who are willing to invest you if you're open to it.

Jacob:

Yeah, which is great. It sounds like you guys are doing a lot of really interesting things. You have the coaching and mentoring. You have the learning and education and training programs that are going on. Yet at the same time, I know for your industry, it's very, very hard to scale culture. It's very, very hard to deal with turnover, which is notorious for your industry. Glassdoor ratings are very, very hard for your industry.

Jacob:

How do you deal with that? Do you look at things like Glassdoor ratings? Are those important? Why do you think are they lower for your space? Why is turnover so hard for your space? Because you would think that if companies like Alorica are offering these opportunities, they'd be these amazing places to work. Everybody would want to be there. But, still, it's so hard. Why is it so hard?

Andy:

Well, let's start with some of the fundamentals. Some of the fundamentals are this. For many of our employees, this is their first job ever. If you think about what that really means, a first job means that you come into a place without context of what it means to be accountable or responsible or to be in an environment where there are standards and expectations. That means that we as an organization have a really significant and critical responsibility, which is to teach a lot of these kind of first job employees what all those concepts really mean. In the beginning I assumed, incorrectly, that all people enter the workforce with a comprehension that you take a job, and you should embrace it with accountability and understand that there's expectations. But it's not that way quite honestly.

Andy:

It's part of our responsibility to society, it's part of our responsibility to our people, and it's part of our industry's responsibility to help as many people as we can really understand what it means to take a job. While that may seem like a really basic concept, we aren't hiring the same people as the tech industry, as a Google, or an Amazon, or an Apple. We are hiring a lot of folks who are first-time job seekers and maybe haven't had

that level of accountability in their life. We have a lot of fundamentals and basics that we have to help our workforce understand.

Andy:

Now that being the case, that's our responsibility. That's part of our responsibility, and so at the same time we think about things like Glassdoor as a platform that employees use to share their thoughts and concerns. We think it's an opportunity for them to have a voice. Now we have lots of internal opportunities for our employees to give suggestions, and as well as share thoughts and concerns. But that's just one more channel. No different than our clients, we have many, many channels, which we try to create for all our employees to speak to us and let us know how they're thinking.

Andy:

For things like Glassdoor, like every other channel, we're constantly monitoring it and we're constantly learning from it. We read and study every post, and we try to understand if there's something that's fundamental or something that's situational. Or is it something that we can fix in our platform and in our infrastructure or in our leadership or our training to address?

Jacob:

You really take the Glassdoor seriously. You read through all the posts and take time to study that stuff?

Andy:

100%, just like we do for every internal channel. Right?

Jacob:

Yeah.

Andy:

We have internal emails and places where employees can post thoughts and concerns. We read everything, because we're always focused on enhancing our employee experience, and we learn a lot from these. There's been so many things that have come out through these different channels that we've looked into and said, "Hey, wow. That's an opportunity. Thank you for raising that issue. That's a systematic issue that we need to go address." It could be a technology issue. It could be a process issue. It could be a training issue, but we take every single one of them very seriously.

Jacob:

I realized I never thought to ask most executives this, but do you find that the internal data that you collect on your employees matches the external data? For example, if you were to look at your Glassdoor score, does your internal survey that you do reflect that? Or do you find that they're very, very different as far as what the employee survey says versus what Glassdoor says?

Andy:

It's interesting. We do look at that. What we find is that it is different. Our internal surveys are more balanced. We'll get lots of suggestions on improvements, but we hear a lot more of the positive. We hear more about the culture. We hear more about the mentoring. We hear more about the opportunity creation. We hear more about the success stories. We hear more about the company working to take care of each other. We hear a lot of the things that are fundamental to our culture and fundamental to our beliefs. Those things are really shared quite widely internally.

Andy:

When we look externally on things like Glassdoor, what we see is primarily the issues that are more critical. It's a little more unbalanced that we believe in Glassdoor than it is internal. But for us, it doesn't really matter, because we take channel to understand what we have opportunities to do better and what we're doing well. To us, it's just a channel.

Jacob:

Yeah. No, that's interesting. Well, may be to wrap up before I have some fun questions that I wanted to ask you, maybe the last more serious question. Maybe we could look at how technology has progressed over the years. Earlier on you mentioned that the future of AI and technology and automation in five to 10 years is probably gonna be at a very different place than where it is now. Are you optimistic about the future? What is your outlook or your perspective on where technology's going in five to 10 years, the impact that technology will have on jobs? What's your thought on where we're going?

Andy:

I think the technology has only taken us forward, if you look at the overall net effect of technology. Yes, sometimes there are certain aspects of it that are negative like: Has technology created a generation of kids and adults who are kind of addicted to devices? Or addicted to social media? Or has it created some like, I guess, societal issues like more anxious kids because they're on Facebook?

Jacob:

Absolutely.

Andy:

Have they created kids who are playing Fortnite all the time and lack balance in their life which creates other issues? Yes, those are all byproducts of technology and advancement. But when you look at the overall impact of technology, it's always a net positive because, look, it could be technology. It could be a food type. Fast food isn't technology, but fast food had a significant impact on obesity. It's convenient and consistent and quick, but the byproduct was high cholesterol and weight gain. The same could be said for technology. There's good and bad, but I think the net is good.

Andy:

If you ask me, how do I think about technology in the long-run? I would always say, "It's always gonna be net positive." But as leaders and people who have the ability to influence how it's used, I think we have to be extremely responsible and understand what some of those potential risks are. When it comes to technology replacing jobs, we have to be very thoughtful about the pace in which that happens. We have to be very thoughtful about understanding who may be impacted, and what are we doing to future-proof in that population. How do we do it in a way that's extremely responsible.

Andy:

I think the thoughtful leaders are asking those questions and trying to address those issues before they become big issues. I'm hopeful and I'm always optimistic that this country and the leaders within this country always get to the right place. It doesn't mean that they there aren't bumps. It doesn't mean that there aren't bad actors. It doesn't mean that there aren't CEOs out there who put the interest of their initiatives or their goals ahead of society's. But I believe that there's also enough CEOs out there who understand that there's a responsibility to the greater good, which is understanding those impacts that technology can have, and working really hard upfront to minimize them. Right?

Jacob: Yeah.

Andy: At the end of the day, the world has always gotten better. Right?

Jacob: Yep.

Andy: That's why you have to really always have faith in humanity.

Jacob: Well, I think that's a great way to wrap up, but I just have a couple of fun, rapid-fire

questions for you just so people can get to know you a little bit better. Starting off with:

What do you consider to be your greatest failure?

Andy: Goodness. There's so many. You mean like a specific?

Jacob: Yep. Is there a specific failure that you remember that was just like disastrous? Or

whatever the most spectacular failure might be?

Andy: That's a hard one, because there's so many to choose from. Give me a second to think

about that one. That's a tough one.

Jacob: All right. Well, I'm starting off with the negative ones first. Then we're gonna jump to

the positive. The next kind of more negative one is: What's the most embarrassing

moment you've had at work?

Andy: It's funny because I don't really remember too many. I don't like a lot of attention, so I

think the things that I get really embarrassed about is when I go visit all of our sites around the world, and our people are so gracious. I don't like standing in the middle of a room, and I always end up in the middle of the room with our amazing people singing or dancing or doing amazing things to show me their talents. But those are uncomfortable

situations for me just because I don't like being the center of attention.

Jacob: All right. What are you most proud of?

Andy: I'm most proud of the culture that we're building here at Alorica, one that's really

focused on making lives better and one where people really care about each other in the most fundamental way. The fact that I get to see that on a daily basis and hear those personal stories and see those incredible acts of generosity and kindness, that's what

I'm most proud of.

Jacob: Okay. That's a good one. What the hardest business decision you've ever had to make?

Andy: I think the hardest business decisions are always centered around people, whether it's

hiring or letting go. Those are the ones that are most difficult to make for me personally.

Jacob: Okay. What is your favorite business or non-business book?

Andy: These are tough questions.

Jacob: These are harder than the actual, the serious questions.

Andy: I know. Because I read a lot of books, but I don't really have any favorites. I find every

book to be interesting. Every book teaches me something different or new, then it's

interesting to me. I really don't have a favorite.

Jacob: What's one that you like or maybe that you're reading now?

Andy: Well, right now, because we're looking a lot in India, I'm reading a book about the

industrial development of India. That's really interesting to me, too, because I'm trying to better understand the culture, better understand the system and how it was created

and what's critical.

Jacob: Interesting.

Andy: Yeah, so those are things that as I look to different parts of the world I always try to

understand a little bit about how things got to where they are and why.

Jacob: Who's one of the best mentors that you remember having? Or coach or advisor?

Andy: I've had so many. I think I'm pretty fortunate in that way. I've had a lot of mentors. One

of them is a gentleman, his name was Y.C. Liu. He actually helped me run the company in the very early years. But he was a great mentor, mostly because he listened and was

very non-judgemental, but gave advice in a very Yoda-ish kind of way.

Jacob: But hopefully not with a Yoda voice.

Andy: No, not the Yoda voice, but he would teach through question.

Jacob: Yeah, yeah. That's always nice. All right, and last question for you: If you were doing a

different career, what do you think you would have ended up doing instead?

Andy: I probably would have been either a business analyst, software programmer, or maybe a

quant.

Jacob: Ah, very nice.

Andy: I like math.

Jacob: Anything jog your memory for greatest failure? Or a failure?

Andy: Not beating my kids in basketball, and they're only nine and 13.

Jacob: All right. All right. We'll accept that one. Well, thank you so much for your time, Andy. I

know you're quite busy, and we went even over the hour. But where can people go to

learn more about you and Alorica and the stuff that you guys are working on?

Andy: Just go to Alorica.com, and you can learn more about what we do and how we do it.

Jacob: Very cool. Well, Andy, again, thank you so much for your time.

Andy: All right. Thanks, Jacob. Talk soon.

Jacob: Yep. Thanks everyone for tuning in. My guest, again, has been Andy Lee, CEO of Alorica.

I will see all of you next week.