

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 Dave Kozel, Executive Vice-President and Chief Human Resources Officer of PVH Corp. Dave, thanks for joining me.

Dave: Thank you, Jacob, for having me.

Jacob: Yeah. So for those people not familiar ... Which is probably everyone listening ... We got connected because I had the opportunity to speak with you and some members of your team in Europe not that long ago. And then we started chatting thought the podcast would be a fun idea. And now a couple of months later, here we are. And from what I understand, is this ... Is this your very first podcast?

Dave: It most certainly is.

Jacob: Oh my goodness. Alright, we're breaking all sorts of boundaries and barriers here. So I've very honored to be your first podcast host. Well, to get started then, why don't we talk a little bit about you? So how did you get started in the world of HR? What was your background getting into this space and eventually leading an organization like PVH?

Dave: Sure, I can do that. But real quickly for the audience, I'd just like to briefly explain who PVH is. I mean, it's ... We're, you know, PVH, we're a global wholesale retail company. About 36,000 associates. We own global fashion brands like Calvin Klein, Tommy Hilfiger, Izod, Van Heusen, and Speedo. And we're in 40 countries. And I think we've been around over close to a hundred years. So, you know, I think it's important that people understand the organization that I've worked for for the last 15 years. So [crosstalk]-

Jacob: Yeah, 'cause people I'm sure are familiar with the brands, but a lot of people probably have not heard of PVH Corp.

Dave: Well, that's ... It's all about, you know, it's all about building a corporate brand. And we're working very hard about on that very subject. You know, people recognize our consumer brands, Calvin and Tommy specifically and some of the others. But we actually changed our name to PVH six or seven years ago. So it's not uncommon when I tell people where I work and they give you that blank stare. Along when ... Then I tell them I work in HR and they give me a double-blank stare. And so I explain who PVH is.

It's, you know, we're Calvin and Tommy Hilfiger. And then for human resources, when I try to explain it to them, they say, "Oh, you're the guy that hires and fires people?" I go, "Well, that's part of it, but not a big part." And so ... But anyway, that's ... You know, I'm a career HR professional.

So to answer your question, yeah, I've been working in HR for many decades. I didn't grow up ... I didn't wake up one morning and decided that I wanted to be an HR executive. I did my undergraduate work at Lehigh University. Got a political science degree. And then a year and a half later I went to The Labor School at the University of ... The University of Illinois' School of Labor and Industrial Relations and got a Master's in Labor Relations and thought I wanted to get into the union management relations in lieu of becoming an attorney.

So my first job out of grad school was at PJ&E, it's a big public utility in California. And I was their first ... And I'm dating myself here ... Industrial relations trainee. And there was the industrial relations department and the personnel department. And those names no longer exist. And so I spent years at PG&E and in a variety of roles. And moved from PG&E to Citibank in California. And spent 10 years at Citibank. Left California and moved to Chicago and ran HR for their Diner's Club business. And then moved back east and worked in their New York offices. So I'm originally from Upstate New York, Hudson, New York.

So I left Citi and worked at Deluxe Corporation in Minneapolis. So I didn't actually commute it every week from New York to Minneapolis. Decided that wasn't gonna be a long-term venture for me. Moved on, left, worked at Grey Advertising for a couple of years. Then J.Crew for almost four years. All in senior HR roles. And then I've been at PVH for ... It'll be 15 years on November 10th, as my 15th year anniversary is right around the corner.

Jacob: Wow.

Dave: So, it's been an interesting journey if you will. So, that's a little bit about my background.

Jacob: I hope your team is gonna take you out for a nice dinner. And I know some members of your team are listening and are in the room with you recording ... While you're recording this podcast, so I hope they're all listening and planning something very special for you for 15 years.

Dave: I have very high expectations as I stare at all of them.

Jacob: You should, yeah. Eyeball all of them and make sure that they take you somewhere very, very nice. Well, you mentioned that you were in the space for a couple of decades. So, not even just thinking about HR, just general work, do you remember your first job and maybe even your first couple of jobs? And what it was like in those environments and how things have changed over the decades? I'm always really fascinated to hear people's perspectives on what work was like for their first few jobs.

Dave: So it was before ... It was during the era of no cell phones and laptops were just being introduced. So no cell phones, no laptops. From a technology standpoint, you used landline phones and you used fax machines. So-

Jacob: And no internet.

Dave: And the internet of things was ... I can remember when the internet ... I was in California at the time, and close to Silicon Valley. And was like, "What is that?" So ... But anyway ... But work was different. Pace was different there. The speed, you know, the access to data and the immediacy of trying to stay on top of everything was not evident there. But it's interesting, you know, at the same time work got done, you know? You were able to respond and transact, support your client groups lacking this technology. And it worked. You know, it was fine. From my first couple of jobs, you know ... I think my first 10 or 15 years my focus was more working in functional areas within HR.

So I interacted more with my functional leads in human resources, be it labor relations or the compensation functions or whatever. And early on, you know, I really didn't have that business connection that to me is so fundamentally important if you want to be a successful HR executive. And I think I found myself doing more HR work for HR. HR for HR, I guess is what I'm suggesting.

And I think that worked fine, but from a business support and credibility standpoint, it was kind of challenging in that if you're coming to a business meeting, you're not perceived as someone there to help them solve a business problem, speaking generically. It was more you're coming to a meeting and they're gonna tell you what you can and can't do, such that you're not really, you know ... You're a necessary invite if you will. And I think that was more of the perspective early on in my career. And obviously that's not the case in all companies, but early on in my career I kind of got that sense. Both from a personal standpoint and from a business interaction standpoint.

Jacob: It's like inviting somebody to a party just to be nice, even though you hope that they kind of don't show up. So kind of sad, but I think I ... A couple of people have mentioned that early on. And I hear all sorts of stories like there used to be intercoms and people were using pagers and when you went home at the end of the day, worked stopped, depending on kind of the role that you had. And very much hierarchical organizations and very formal attire. I mean, did you experience all of that sort of stuff as well during your first few jobs?

Dave: Yep, absolutely. Coat and tie. I didn't work for anybody that had an intercom, but I remember being in buildings where there were intercoms. But to your point about ... You know, you'd leave work and you'd go home for the weekend. And, you know, you'd come back on Monday and reconnect. I mean, you weren't plugged in 24/7. In fact, I recently came ... I was in Europe for a couple of weeks ago with my wife and daughter. And I was thinking coming back to work on a Monday morning, I knew exactly what was going on because, like anything else, I was plugged in. Whereas 10 or 15 or 20 years ago, your first day back from a week or two vacation, you're spending all the time getting caught up as to what happened in your absence.

Jacob: What did I miss? What's been going on the last few days? Yeah.

Dave: And you really don't miss anything, quite frankly. So ... To a great extent. So-

Jacob: Yeah. In today's world, you ... Which sometimes I wonder if that's a good thing or a bad thing, because kind of the work-life balance. Everybody talks about work-life integration and how you ... This blurring of work and life. There are different opinions on that on whether it's good or bad, but I think it's just kind of a new reality. It's hard to get away from it.

Dave: Yeah, I really think that people need to ... And I don't do this ... But they really need to spend, you know, 10, 15, or 20% of their time away from their work. And even while at work try to earmark some time to not think about the day to day and the tasks that we all have. But, you know, think about what's going on. Where you are in this global ecosystem of divergence and change and political discourse and the list goes on and on. And I think that's really important. But the way of working and the fact that you need to be plugged in, you know, it's really hard to do. But I think that's a challenge and also an opportunity I think for all of us, quite frankly.

Jacob: Yeah, yeah. Couldn't agree more. Well, I guess when you look at work today, I mean, how do you think things are changing? So if somebody were to just randomly come up to to you and say. "Hey, Dave, how's the world of work changing?" What would you say?

Dave: What I change ... It's changing not only from a physical space standpoint ... So, you know, work environments have fundamentally changed and I know you recognize that from the employee experience. So workplaces have changed. I think the advent of technology has changed the way people work. And quite frankly, I think that's a big challenge, you know, everyone has today. In our organization and others, I mean, ways of working and leveraging technology and dealing with the rate of change.

I've said in prior forums one thing that is certain is what we're doing today is going to change tomorrow. So how do you wrap your head around that? And how do you deal with that both personally, but both from a company standpoint and from a technology standpoint? And dealing with the unknown, because you know what you know today, but tomorrow you don't know. And how are you gonna be prepared to address that as something that is I've seen change? Especially exponentially over the last five years. But even more so every day. I mean, there's studies out there that talk about the life cycle of a Fortune 500 company. And, you know, used to be 50 or a hundred years. And not it's ... If you make it to 15 or 20 you're doing good if you will. And just think about that. That's pretty remarkable. So-

Jacob: It is. Yeah, I mean, just even like you said, the lifespan of organizations is changing. I mean, just craziness out there. Well, today, what are some of the big trends or things that you're paying attention to?

Dave: So we're all ... Trends I'm paying attention, it's all about talent. And we have a people first strategy. So it's really important that we create a culture and a workplace that has

purpose. That people can gravitate towards. And prosper both personally and professionally. So we spend a lot of time on that. And to my earlier point about, you know, PVH, what does it stand for? What is our employee value proposition? I think that's really important. We're ... I think we're a pretty great company. But we're not a company for everyone.

But we want to be a workplace and a company that if you want to have a career in wholesale retail, this is a place you ought to ... You would want to come in terms of just the workplace environment, our culture, the tools that we provide our people to be successful. And to have a career to the extent that one defines a career today, since that's fundamentally changed. You said it earlier. We used to work in very silo, hierarchical organizations. And that has gone by the wayside such that, you know, have become agile from an organizational standpoint ... But also from a personal standpoint is really important.

So it's all about people, you know? Getting great talent and motivating them. Engaging them. And allowing them to be truly successful in what they're interested in from a career standpoint. And if they're successful and engaged, I think it only increases the company's probability of having success. So that's a big focus point of ours and it's driving our leadership curriculum. We're looking at establishing a digital academy, if you will, looking at how we assess and motivate our associates ... We call our employees associates ... From a performance appraisal standpoint. How it impacts our pay programs. And how it impacts our work-life programs. And that's a continuous journey.

And with the unknown, it's kind of like you gotta ... How do we say it? You gotta be able to look around the corner. And understand the business we're in today could change exponentially. And are you gonna have the talent for where the business going down the fork of the road? But at the same time, if we say we want to get into another industry or another venture, do you have the talent needed to be successful? You know, we're fortunate at PVH that the leadership team really recognize ... Well, we stated our two greatest assets are our brands and our people. And a lot of companies say that, but we really mean it and we've invested in our people. And it happened before I even got here.

But, you know, taking care of our people, investing in their welfare, investing in their future from a career standpoint. Providing them a very healthy work environment and an ability to have a great career and make a great living. And at the same time, enabling them when they move on we still have ... We're probably one of the few companies that still have a fully-funded pension plan in addition to our 401k plans. So-

Jacob: Wow, yeah.

Dave: It speaks to the importance of talent and people. And that's what drew me to PVH and what makes our company pretty special. And I know that there are other organizations just like that, but to answer your question, it's about people and talent.

Jacob: And you mentioned a couple programs briefly, but I was hoping maybe we can expand on some of those. So you talked about leadership. I know you have PVH University. You talked about health and wellness and well-being programs. So if we were to kind of just do like a high-level overview of just some of the different programs and initiatives that you have at PVH for your people, what would be some of the main ones that you would want to highlight that you think are pretty either unique or special to PVH?

Dave: Well, so you mentioned PVH University. So I think we've built ... I think ... I know we've built a fairly robust university program. And we have a leadership academy where we offer entry level ... First-time manager training programs and then second-level training programs to managers. And then we move all the way up to training our executive team, you know? We have a global leadership program that we work with The Wharton Business School, and that's where our top execs ... And we've put about a hundred of our leaders through that program.

So in addition to our leadership academy, we have a professional academy, professional skills. We have a lot of individual contributors in our organizations. We try to provide them with basic skills that they need to be successful. We're looking at building a retail academy. We have thousands of people who work in our stores and teaching them the basics of what it means to be a store associate and basic selling skills if you will.

And we're gonna look to do ... Build a digital academy. And what are the basic tools you need to be successful regardless of your position based on the rapid introduction of new technologies, if you will? In addition, we have online courses through PVHU On Demand. And we offer 2,000 online courses. And they could be short vignettes and it's available to our associates around the world. So our training, our investment in training and in turn investing in our people is really unique.

I think the second thing that we spent a lot of time on is communications. So when I got here, we really didn't do employee surveys and engagement surveys. So based on where I'd been in prior companies, you always liked to hear what customers think about how you're doing from a product standpoint. And when I said, "Let's ask our associates how we're doing?" So we've done four or five associate surveys, we call people surveys. And like anything else, when you ask people, "Give me your feedback on quality of the leadership, communication, our pay programs, our benefit programs", you better be prepared to respond to the questions. And we got a lot of great feedback. And we've used those survey results to drive the development of a lot of these programs. One of which I just talked about, our PVH University.

But at the same time, a lot of associates talked about communication. And the fact that we could do a better job communicating business strategy. Not only from the top, but face to face from fellow associates to their supervisors. And so we ... When I joined here, we really ... We didn't have an internal ... Excuse me, we didn't have an internet. So we started with standing up our internet called The Thread. And then from there we started building out our global internal communication function.

The department ... We have a pretty ... We have a big team right now. And you've met Tiffin who is the leader and she's done a tremendous job and really, you know, enabling

our organization to understand how we work. What's going on. 'Cause it's really important ... I think it's really important that everyone understands their role in the organization and how they fit into the big mosaic of PVH or whatever company you work for. And having ... You know, you can't rely on supervisors to be the primary conduit of information. We needed to make information available to all associates.

So we've put programs in place. We've created networks. We have The Thread. We have town hall meetings. And we just continue to communicate. And communication is now ... The most meaningful communication is not from supervisor or leaders to associates, associates like to hear from each other and leveraging social media. And we're evolving in that area. So leader ... So communications, training and development, and then we've just expanded on our compensation and benefit programs. You know, making sure that we're paying competitive ... Offering competitive pay packages. Offering variable pay programs. Offering great benefit programs. Retirement programs that I talked about as well as providing work-life balance programs. You know, flex back to work, flexible work hours.

So all of those programs we've put in place over the last, you know, five to 10 years. And we've done that in response to the surveys that I mentioned. But at the same time, through the support of our leadership team and the business because our focus here is supporting needs and having that strong business partnership. So it's evolved over time. And I've been asked, "Are you done?" And I say, "You're never done. Because everyone's needs are going to change." So those are some topline thoughts on that subject.

Jacob: Now, to do a lot of these things, it's certainly not cheap, right? I mean, these programs, the pension program, redesigning spaces, doing the surveys, building out these functions, probably cost a lot of money. So for people listening that may be ... Are thinking of how to do this inside their company, how did you go about getting funding or justifying the value of this? I mean, how did these programs actually get funded and become real?

Dave: Well, it's ... I do it from a ... I always take a business approach. So, you know, in most organizations a lot of their expenses are people-related expenses. So ... And for us to be successful in developing clothes or selling our products or services, you're going to need people and the right types of people. So that as an underlying premise is I primarily use information as I mentioned from these engagement surveys to say, "Hey, you know, we could do a better job in developing ... Reducing turnover in a particular area if you will." And the reasons why associates are ... We call our employees associates ... They're leaving is because of ineffective management. And that's ... You know, and turnover as everyone knows has an expense associated with it. Not only an acquisition expense but a ramp-up expense for a new hire.

So presenting this to management and leaders from that standpoint and saying, "If we invest in leadership programs" ... And you know, if I'm asking for a half a million dollars if you will ... I'm just making that up ... Or a specialized leadership program, that potentially could reduce the overall expense to the business based on reduced turnover and lower productivity. So taking a business focus to it. Unfortunately, you know, being

an HR support function, everyone asks for the ROI on training programs or putting in new global systems or communication systems. And it's really not a dollar for dollar if you will, but it's ... You try to speak to it from a business strategy standpoint and why you're gonna need this type of person with this type of skill set or this type of tool to enable you to grow a particular business segment you're trying to get behind.

So I've ... We ... Not I ... But the team will approach it from that standpoint. And I involve leaders and business leaders in the conversation early on. 'Cause I don't want to push this ... I don't want this to be ... HR says you need this. 'Cause I mentioned earlier, it's not an HR program, you know, this is really a business initiative. So that's kind of the approach I've taken, and we've taken, I should say, over the last ... Well, since I've been here and even in other places. And it takes time, you know? And you just can't go in and say, "I need a million dollars for whatever", and they're gonna say, "Well, I don't have it." Tell me ... It's gotta be in cadence and support of a business initiative and a business strategy you're trying to get to and support.

Jacob: So let's say somebody listening to this, they are maybe in HR, maybe they're in a management function. And they want to do something around people. Let's say new training initiatives, something around employee engagement. And let's say they need a million dollars. How would you advise or recommend for them to even start to have this conversation? Like, where do you begin, I mean? Do you start building a business case? Do you just randomly start talking to people? I mean, any advice that you can share for [crosstalk]-

Dave: Well, I think ... You know, you gotta do both of those things. It's gotta be ... You gotta validate that it's real and it's needed. So ... And start socializing that amongst the general business community, number one. And then number two, you said it perfectly, Jacob. You gotta present a business case. Tell me why. And it doesn't have to be that complicated, you know? But state the facts and the situation and what this training program is going to address and what the potential business impact and outcome is going to be. And you present that ... But you gotta present in the context of understanding, you know, where that fit, where that ask is in the scheme of the total business strategy. You ... Because organizations and companies only have so much ability to invest in so many things at a particular time.

So you really have to stay ... Really be in tune with business cadence and business needs and make certain that the time is right and when there is an appetite. Where you can say that your business case and your request is gonna be as important as somebody else's if you want to invest in a new technology. Or you want to roll out a small marketing campaign. Because the business leaderships need ... There's only so many dollars to spend if you will. So that's the approach I would take.

Jacob: Seems like you also need a fair amount of patience. So ... 'Cause listening ... Like you said, I mean, people ... There's only a finite number of dollars. Everybody has something that they want to get done. So maybe even just getting a little bit more granular on this. Maybe you can share, how do you deal with when you get told no? So let's say you have an idea for a program and the executive team just says, "Nope, sorry, Dave, you gotta wait." How do you deal with that and not just get frustrated and upset and kind of like,

"Oh, man, I hate all of you"? 'Cause I'm sure that happens to a lot of people listening to the podcast. They have ideas for things that they want to do, and they just get told, "Eh, sorry. We got other priorities." Any advice for how to deal with or overcome that?

Dave: Well ... I do ... It makes me unhappy. So I'm no different than anyone else. So ... But, you know, what I do if they say no, then it's important for me to really understand why. Okay? Tell me why you say no. And through that process and through that rejection or whatever, I treat it as something ... As a learning proposition. So maybe I'll have a better understanding as to why my request for ... Why it didn't make sense from a business standpoint to invest a half a million dollars in a training program. What did I miss? If you will. So I treat it that way.

And I try to pick my battles if you will. 'Cause it's important that I understand business dynamics and what is going on when the business ... I also pick good timing, when the business is doing really well. When you're beating plan, the probability of getting funding is exponentially higher than not. So I look at that as well. But if I have a conviction that we really needed ... I knew my first week here we didn't really have a D&I strategy, inclusion and diversity strategy. And I go, "Holy mackerel, that's really missing." You know? But I waited ... It was really almost 10 years later when the business was ready to embrace this concept called diversity and inclusion. I knew it was something that was really important. But the business was not ready to support that.

So having an understanding of business readiness or receptivity I think is something that's really important. And for me, I've been an HR professional for a long time, so I've got a lot of scars if you will. So I've kind of learned from my ... From past mistakes if you will. So ... I think ... And that's kind of how I look at it.

Jacob: I love that advice. You know, I think timing is super important. And the way that you kind of deal with no and rejection as you said, that reminds me a lot of ... So Carol Dweck wrote a book called Mindset, and she talks a lot about this concept of a Growth Mindset. And that basically sounds like exactly what you said. You look at it as a learning moment. Why did it get said? Or why did you get told no? What can you do to kind of go back and improve that? So I think that's fantastic advice for people listening.

But you also mentioned something which I find pretty fascinating, and that comes to timing. Because I feel like a lot of people are not patient. You know, just in general, with social media. It's a stereotype of a younger generation, the younger workforce, that they're not patient. Everybody wants things done quickly. And it's just not always possible to do that. So how do you balance that? And are you seeing that at all with the kind of the different generations inside of PVH?

Dave: Yeah, I mean, it's getting harder and harder. It's harder today to be as patient as I used to be because everything is instantaneous. So if there's a business need, you gotta run to solve that business need while the door's open and the ask is there. So, you know ... But at the same time, you can be chasing things that are unattainable. So you just gotta balance. You really have to balance that. But the rate of change and the increase in requests, I need this and I need that, is far greater than it ever has been in my entire career. I come in every morning with a set of things that I think I need to do. And I

eventually get to them. But everybody wants instant gratification and instant response. And I think that's unattainable today. So you're gonna have to be able to balance that and pace that if you will.

So I don't have a good answer. It's something I and everyone else is struggling with. And I worry a little bit about that. And people talking about the workplace of tomorrow and you need to do ... We need to get ready for the impact of artificial intelligence and augmented reality. And you need to do this and you need to do that. And if you focus on the future, you're not gonna get there 'cause you're not focusing on the present. So I worry a little bit about that. You gotta get the train on the track, too, if you will. So I kind of temper that from a personal perspective standpoint.

Jacob: No, that's interesting, because I think you're right. A lot of people are very much focused on ... I suppose even I get stuck in that sometimes very much. Like, what is work gonna look like in five, 10 years? And meanwhile we forget like, hey, you gotta get to those five, 10 years first, right? You gotta make sure that the company survives and that you're attracting those right people. You can't just teleport 10 years in the future and say like, "Hey, what do we need?"

Dave: Exactly.

Jacob: So I think that's a great kind of mental way to look at it. And I suppose the other big challenge is ... And I don't know if you're experiencing this at PVH. Some executives have told me that kind of the tenure thing is also changing. Because along with patience you also have to balance this fact that ... What is it? The average tenure for I think millennials is around two years. It just seems like people are rotating in and out of companies so quickly. And, of course, I have no idea if that trend will continue or not, but it just makes it so much more challenging for training people and trying to promote them. So it's tough. It's definitely tough.

Dave: Well, yeah. And that's why you want to create an employee experience to enable when people join a company like PVH ... You know, it's an organization that has personal purpose if you will. It's an organization that gives people runway from a career standpoint. They gotta own their career if you will. And when I first started, you joined a company and your career was kind of dictated to you through fairly rigorous or rigid career steps if you will. And that's fundamentally changed, but creating a workplace in a company ... And we're fortunate in that we're global. We're in 40 countries. That'll enable people to work in various brands in various parts of the world.

So ... But at the same time, you're right. I mean, tenure is ... The five-year mark seems to be the magic mark. If you get someone after five years, then the probability of them staying is heightened exponentially if you will. And we're pretty fortunate. Our turnover is really, really low in comparison to other industries. And I think that's just we're a pretty stable and financially successful company.

Jacob: Do you find that ... And, you know, I don't think there's a right or wrong answer to this ... But do you find that people now and going forward are more interested in wanting to

be a part of a company where they feel like they're taking care of? They have that pension? They know that they can have a stable job? Or do you find that people are very much looking for that quick kind of turnaround? I just want something fun and exciting. Be at PVH for two years and then out of there and on to the next one. Where do you think ... And again, total opinion ... But where do you think kind of the workforce lies on that?

Dave: You know, I used to think the latter. But I think the pendulum is switching more to ... Millennials, I got three millennials myself. So ... They don't ask me for any career advice, I might add. But anyway.

Jacob: Oh, that's interesting, actually. You gotta get them all working at PVH.

Dave: That's a ... Yeah, and that could be a good or bad thing, Jacob. So ... But anyway. I just think ... I think people are looking for a place where there's some semblance of permanence if you will. Think about what's going on in the world today, you know? Think about the rate of change with new technology. You know, what's going on from a socio-economic-political standpoint. I think people really want a place where they can leave ... Come out of that part of the world and come to a ... I won't call it a safe haven, but a place that resonates with them from a personal values standpoint. From a profession standpoint. And feel that they can be contributive and identify who they really are.

So at least ... And I think we're seeing more and more of that here at PVH. But that doesn't mean that in other industries that people are just bouncing. That they're part of the gig community or they want to be individual contractors if you will. But organizations that provide people with an opportunity to ... That resonates with their values and is in line with what they think they want to do when they grow up from a career standpoint if you will and gives them a chance to really be all that they can be. We're big on recognizing everyone's unique individuality if you will. I think people today are looking more towards that type of organization. That's just my perspective.

Jacob: No, I think you're right. You know, from some of the things that I'm observing and the conversations that I've having, I think that maybe there is a little bit of a swing in the pendulum towards the other direction of people just wanting a little bit more stability, reliability. But also having that kind of opportunity for growth and learning. So it'll be really interesting to see what the next few years brings about for that.

Dave: Yeah, absolutely.

Jacob: So I wanted to switch gears a little bit and ask you, how would you deal with somebody ... Let's say an employee at PVH comes up to you and they say, "You know what, Dave? I'm unhappy here." How do you deal with that? Or what would you do if an employee told you that they were just unhappy working at the organization?

Dave: So I ... So that happens from time to time, Jacob. So I'd have them ... I'd ask them to tell me why. So tell me a little bit about why you're unhappy? Tell me about your work

experience. You know, and try to really understand the root cause of why they're unhappy. 'Cause there's a lot of things that can cause unhappiness, right? It may not be work related. It could be personal related. And really have an open, transparent conversation with that individual. And then based on the response, then figure out if it's an issue within PVH. If they have issues with a co-worker and/or a supervisor. You know, come up with strategies as to how to deal with that.

If we come to the realization that they're unhappy because they hate working at our company or they're unhappy with a ... Where they are in their personal career, talk to them about what you may want to do to do something. But I believe in very open, transparent conversations. But it's ... I don't approach it as it's my responsibility to cure their unhappiness. It's really to understand why they're unhappy. And then based on what they say, figure out what approach we should take. Either within PVH or based on what they tell me from a personal standpoint.

Jacob: I love that you said it's not your responsibility to cure their unhappiness. 'Cause I feel like a lot of companies sometimes feel like that's what they have to do. You know, with all the crazy perks and benefits. And I think a lot of companies are just so obsessed with this kind of happiness metric. But individuals also need some accountability over their own happiness. And then they should also feel like they can speak up and come talk to you or members of your team. So that's kind of why I wanted to ask that, 'cause I know a lot of people listening to this, if you go by kind of the Gallup Engagement around the world, most people are really unhappy with their jobs.

And so part of me just wonders, how many of those people are actually having these conversations with their peers, with their managers, with HR? And even letting their team and their organizations know that they feel this way?

Dave: Yeah, and I think that's really important, 'cause you gotta ... I mean, you gotta let people know. I mean, if you only talk to yourself about your unhappiness, you're not gonna cure it. You'll exacerbate your ... The degree of unhappiness. So-

Jacob: And you'll probably scare others if they see you talking to yourself.

Dave: That as well.

Jacob: So I heard that you have a program where you can actually loan people to other teams and departments, which I thought was pretty interesting. So I thought we could touch on that for maybe one or two minutes. Can you give us a sense of what that program is all about? How it works? Why even do it?

Dave: So I don't know if we have ... I don't know if we have a formal program, but it's ... You know, what we try to do ... Organizations, a lot of companies struggle with how you collaborate effectively. So collaboration is something we always focus on here at PVH, you know? Because one of our core values is partnership. So typically what we've done from time to time is when we have ... For example, we're in the middle of some big systems implementations. So, you know, what we've done is ask individual business

leaders to see if they'd be willing to loan one of their senior people who may be a functional expert in finance or planning or whatever to be part of this development team that's gonna put this system in place.

So we've done that a number of times in some of our system implementations. At the same time, we've done some business transformation initiatives and we bring people in from a cross-functional standpoint to work on a transformation initiative for a three- or six-month period. And then in turn, they go back to their respective areas. So it's ... We do it in response to business needs, but also in response to individuals. Because it's a developmental opportunity for both the individual.

And quite frankly, it's an enriching opportunity for PVH, because we're expanding the skill set of our workforce by providing individuals with these experiences. So it's not a formal program, but it's informal. We do that on a quite regular basis. Including having people, you know, spend time in New York and maybe go run a three- or six-month assignment to Hong Kong or Amsterdam. Amsterdam to New York or whatever. So it's worked really well and we want to continue to do more of those types of programs.

Jacob: Why even have that program in place? Were you finding that a lot of your employees just wanted different experiences? Different teams, different countries? And they just didn't have a way to do that before?

Dave: I think that's clearly a big part of it. You know, I always find it interesting. Everyone says they're mobile, right? So, you know what I mean by mobile, they're willing ... You know, if they live in New York and they're mobile to any part of the world, right? So you have a career development conversation with them. So I found over the years that in situations like that, I approached someone and said, "I noticed that you say you're mobile." And said, "How about would you be interested in working in ... We have a job in Hong Kong?" And they go, "I said I was mobile, but I'm only mobile to San Francisco and not Hong Kong." So there's that selective mobility thing if you will.

Jacob: I know exactly what you mean.

Dave: So ... But I think for ... It's a great opportunity for our ... Not our younger associates, but people who are early/mid-career to have multiple opportunities. I think I've been very fortunate in my career. I've worked in ... I've had many, many different jobs early on in my career. Then it just gives you better perspective. Each job affords you with something that you can take to the next and the next and the next. And it just broadens you and gives you a broader skill set. But more importantly, a broader perspective on things.

Because sometimes if you're only working in one part of an organization or one part of the world, you have a myopic viewpoint on a particular matter. Whereas if you have broader experiences, you have a broader perspective on how to address something. And that's why having an inclusive work environment where we engage all of our workers and everyone has a point of view and a voice, it just enables you to have better

conversations and ultimately come up with better decisions when you're getting multiple inputs. So that's kind of our approach in my personal experience.

Jacob: I know over the years you guys also went through several acquisitions at PVH. And, you know, culture is obviously something that a lot of organizations care about. But it's probably tough to maintain and maybe even spread the culture that you want across different acquisitions. Because every time you acquire somebody, they have their own culture, their own way of doing things. How do you kind of meld those cultures together? Or make sure that everyone plays well together so to speak when you go through that kind of acquisition process?

Dave: I think a big part of ... You know, we've done two, three billion dollar acquisitions when we merged with Tommy Hilfiger. And then when we bought Warnaco, which owned our Calvin Klein jeans and underwear business. But a big part of our due diligence is it's not the financials and how we put the businesses together and what the financial models are going to yield you from an earnings equation standpoint or whatever financial metric that's important to you as to why you're doing the deal.

But what's really important to us and what we've done a lot on is getting an assessment of the people. And starting with the leaders and then cascading down because you ... Deals can work exceedingly well on a piece of paper where the numbers really work and there's good synergies and savings and et cetera. But if you have leadership teams that are diametrically opposed in terms of how they run their organization, what their core values are, what's important to them, they usually are unsuccessful. And we spent a lot of time during the diligence process to ensure that we're bringing in like-minded cultures.

Now, you said it earlier, Jacob, every organization has unique cultures. But it's important to us that there's commonality in all of our cultures. And it's really important that when we look at these transactions, we're looking at our core values that really are important to us in terms of being respectful and being accountable and doing the right thing. And trying to understand that through the process. 'Cause that's really what PVH is really all about. Giving back to the community. And treating everyone like you want to be treated.

And we learn that through the process, through the diligence process. And that has served very well. We don't homogenize the cultures or the brands, 'cause that doesn't make sense either if you will. But that's been a big focus of ours and it's enabled us to continue to grow and become this global player that we are today versus being a primarily North American-based company when I joined in 2003.

Jacob: I like that you said that you don't homogenize the cultures, 'cause I feel like a lot of organizations out there are trying very hard ... They always say, "How do we standardize the culture?" And I'm a big believer in not standardizing it. You kind of need to make the cultures play well together. Make sure kind of the core set of values are there. But it's okay to have different cultures. It doesn't all need to be identical at every division, every part of the world. And I think you're right, that people aspect, the leadership side really does make all the difference in the world there.

And is it a particular kind of program or process that you go through when it comes to culture? Or is just having like a series of focus groups with leaders of those different divisions? Just having candid conversations? Or is it more structured and formal than that?

Dave: It's more of the former, what you just said. We don't do questionnaires or surveys if you will. But ... During the diligence process ... But you learn a lot when you sit down and have business meetings and give business conversations with your counterparts from a functional standpoint, a business standpoint. But I think you can get a read really on when you first meet with your counterparts. So it's more informal if you will.

Jacob: Makes sense. Well, I know we're kind of nearing the end of the podcast. I just had a couple of last things I wanted to touch on.

Dave: Sure.

Jacob: One of them was how to ... Or how to treat top performers. You know, the highest-performing individuals inside the organization. I think in PVH it's the top 2%. And so should they be treated differently? How should they be treated differently? I know that this is something that a lot of people are constantly trying to figure out. What do you do for those unique performers if anything?

Dave: Well, I think ... Yeah, I think ... To answer your question, I think they should be treated differently. They need to know, first of all, people need to know that they're considered top talent. You know, I've been in situations where you go through succession planning meetings and you identify top talent. And everyone buys into it. And then the leader never tells the person that they're considered a top talent. And so for fear of, "Holy mackerel, they're better than me", if you will. So I think that people need to understand that they're top talent and why they're top talent. And what does that mean if you will.

Then based on that, you know, we look at ... Looking at differentiated pay programs. Both base and salary programs and equity type programs. We would look into the offer accelerated training and development programs. You know, looking at accelerated career moves if you will. So I'm a big proponent of taking care of ... I'm a proponent ... We have to take care of all of our associates. And I think we do a really good job at that. We offer ... We want to make certain that our workforce has the skills they need to do their jobs and also have a career. But at the end of the day, you really need to take a differentiated approach that people are critical not only today to keep the lights running, but also people that are gonna move PVH or other companies forward.

So differentiated pay programs, training programs, experiences, internal and external is something that we're gonna continue to build on.

Jacob: So it's okay to treat the top performers differently? So I just-

Dave: Yes.

Jacob: For people listening, it's okay to do that inside of your company. If you have those top performers, you can treat them differently. And I feel like so many companies are scared to do that because they-

Dave: Well, yeah. 'Cause if they don't, Jacob, then they're gonna go someplace else. So to me it's just ... It's common sense.

Jacob: Yeah, I agree.

Dave: I don't know anything else to say.

Jacob: I totally agree. I totally, totally agree. Okay, last thing I wanted to touch on before I ask you some kind of fun rapid-fire questions is this kind of partnership between the CEO, the CFO, and the CHRO. I know that that's something that you are pretty passionate about and believe in. I also think it's something that we definitely don't see enough of inside of organizations. So maybe you can give any advice on how to create that partnership. And maybe even at the non-executive level.

So let's say I'm just maybe even a mid or entry level employee on the finance team or the HR team. Even for me would still be important to have that relationship with finance and HR. Maybe with IT, maybe with the executive team. So how do you start to build those relationships and partnerships with the different related teams?

Dave: Well, you gotta spend ... So I'm a career HR executive, but to be successful on the support function, especially HR, you gotta understand ... You gotta know the business. You gotta understand business strategy. You've got to understand how companies make money. You got to understand how organizations are structured. So you gotta spend the time learning the business. And my interactions are primarily business-based. You know, we talk ... I don't do HR talk when I'm in business meetings, if you know what I mean. Because most ... A lot of senior leaders really don't understand that vernacular. You know, you gotta ... You can explain it in more business terms.

But spending the time, understanding how business works is really, really important. And then based on that, you know ... 'Cause then if they ask you, "Well, I need help on this" ... Because they think you understand what they're asking, and then you deliver on that, that demonstrates that you can add value. And all of a sudden, you're no longer the unnecessary evil if you will, but you're part of how things are getting done. An integral player in solving a business problem and support that growing concern. So to me, it's knowing the business. And I think in general, you know, HR professionals really need to spend a lot of time doing that. And an important ... And in turn, understanding how your functional disciplinary ... You know, within HR. And understand that you're in a support function and really hone those consultant skills. It's a business knowledge is exceedingly important. And then delivering. Once people ask you to do something, it's really important that you deliver on that as well. So [crosstalk]-

Jacob: Well said. Short and to the point simple advice. No kind of magic secret formula there. You just kind of put in the time and the work.

Dave: Basically, yeah.

Jacob: Yeah. Okay. And I said that was gonna be the last question, but I lied. This will officially be the last question before I ask you some kind of fun ones. And this is actually from Andrea Cale on LinkedIn. Usually I like to ask a few of these, but I only have time for one. And she wanted to know, "What does Dave think his workforce will look like in five, 10, or even 20 years? Will he have as many full-time employees? Or a greater mix of contract and full-time employees? And if it's more of a mix, how is he preparing his company structure and his workforce for this transition?" That's like 20 questions in one, so that's why I saved it for the end.

Dave: Well, that's a really good question.

Jacob: That's a really good couple of questions.

Dave: Really. You know, 10 or 20 years, I think there's gonna be more and more variable staffing if you will. More part versus full time. You're still gonna need a core group of full-time associates. I think a lot of it is gonna be dependent on where technology takes organizations five or 10 years from now. I don't think people are gonna become technologically obsolete. I think our workforce today needs to be upskilled and retrained to use the new tools. Will we need more or less? It really depends on the business if you will. But I wish I had an answer to that, 'cause I ask myself that same question.

And how are we getting our organization to think about that? You know, that's hard work, you know, 'cause business leaders are all worried about ... We're a publicly traded company so everyone's focused on the next quarter earnings if you will. So the people ... And that's just the dynamic of publicly traded companies. But at the same time, leaders are becoming more aware of what the future holds. And the future is right around the corner. So I think more ... Maybe a smaller workforce. More variable in nature. And you're gonna have organizations and organizational structures that flex up and down if you will. And those that can move to different areas if you will.

So ... But that's something ... Nothing really keeps me up at night. But I worry about that very question and how we're dealing with it today and how this organization's gonna deal with it the next five years. Not even 10 or 20, quite frankly.

Jacob: Makes sense. And I agree, 20 years is pretty hard to kind of project out there.

Dave: That's a lifetime.

Jacob: It is. It is, for sure. Okay, so now I have a couple of just fun rapid-fire questions. Just about you. Starting off with, what do you think has been your greatest business failure?

Dave: Oh, wow.

Jacob: No pressure. Or [crosstalk] mistake.

Dave: Greatest business mistake?

Jacob: Mistake or failure. Anything bad that you did pretty much during the course of your career.

Dave: I'll have to think about ... I gotta think about that. So ... I can't think of anything specifically, it's not ... I've had a lot of 'em, 'cause you're best learning is those that ... When you make a mistake, the boss says, "Don't make 'em again." So by doing that, that's the definition of stupidity. I can't think of one off the top of my head. I mean, I obviously have made poor calls on hiring senior executives for sure that have had business impact. But I've ... I don't think I've created a situation that had a huge financial implications if you will. So ... It's not like I'm perfect. I'm ... It's the furthest thing from quite frankly. So I'm not trying to-

Jacob: Nobody is.

Dave: To punt that question down the road. So I'm just having a hard time thinking about one off the top of my head.

Jacob: No worries. Next one, what has been your most embarrassing moment at work?

Dave: You should have asked my people that work for me.

Jacob: I was just gonna ask. I know that some members of your team are sitting there and they probably have tons of embarrassing stories about you. But do you know any of 'em?

Dave: They haven't shared any with me, but I'm sure if you want to ask them, they'd be more than happy to email them to you.

Jacob: Yes, yes. Send over those embarrassing stories or embarrassing moments. Next question for you then is, what are you most proud of?

Dave: I think I'm most proud of ... What I'm most proud of is that PVH just got recently certified as a great place to work. And [crosstalk]-

Jacob: Oh, very cool. Congratulations.

Dave: So ... And it's truly a great company. And it's a company based on ... A lot of the ingredients were here when I joined 50 years ... 50, I'm not that old, 15 years ago. You know, it's rooted on our core values and one big happy family. But we spent a lot of time investing in people. And as I said at the onset, you know, building programs and procedures and that enable associates to be all that they can be if you will.

And I've always ... I say our secret sauce is our people, and it really is. But people really like coming to work. And they like having ... You don't want to define yourself by work, right? You work to live versus live to work. I should practice that more often quite frankly. But being recognized as a great place is ... Certified as a great place to work I

think is really important and I think ... I'm proud of it but I'm also proud of our leadership team that has supported the investments necessary as well as the HR team. Because it's really ... We've done it collectively. So I'm real proud of that.

Jacob: What's a favorite business or non-business book of yours?

Dave: Non?

Jacob: Could be either. Could be a business book or a non-business book.

Dave: I like to ... I'm a big Daniel Silva fan. So I read business stuff all day. So I like internal espionage and ... If you will ... And I really ... I think I mentioned it early, but The Talent Wins. You know, the principles laid out in The Talent Wins really resonated a lot with me in terms of focusing on people, focusing on partnering with the business. Focusing on talent and how you deal with changing organizational structures. And a lot of the principles, Jacob, that you talk about in terms of employer experience, I think that's really important and really relevant and topical. And I think instructive. So that's how I answer that question.

Jacob: Okay. And last two for you, who was the best mentor you've ever had?

Dave: Besides my current boss, Manny Chirico, the Chairman and CEO. I have to say that, in case he listens to this.

Jacob: Of course, of course. And he actually got rated as one of the ... I think on Glassdoor as one of the top CEOs on there, too. So he's also been doing a pretty good job.

Dave: Yeah, he's been great. And, I mean, he understands the importance of people and the function. So he's been great. But early on in my career, I think when I was at Citibank, I worked for a gentleman by the name of Bob Rossow. And he afforded me the opportunity to be his HR business partner. I think it was when I was working at Diner's Club, Citibank, and another entity. But he didn't tell me what to do, he just supported me in everything that I thought we needed to do.

And I had an equal voice and he gave me opportunities a couple of times to actually ... When we had some openings for some senior leadership positions, we didn't have an internal candidate, he said, "Dave, why don't you go sit in that job and do it while we try to fill it?" So, you know, empowering me and talking to me about change is a constant. And talking to me about having humility. That's really important. Humility's really important in the workplace. And at the same time, telling me to have business courage. You know, courage I think is really important. And he gave me that, both the opportunities and the feedback. So I've taken that and it's allowed me to continue to be successful.

Jacob: It's important to have those mentors. Very last question for you is, if you were doing a different career, what do you think you would have ended up doing?

Dave: Well ... That's an interesting question. So ... I ... Early on, I probably would ... I could envision myself being an athletic director at a college.

Jacob: Very cool. I sometimes ... I wonder if I could have been doing something with a physical education for kids, too. So I'm pretty into that space as well.

Well, Dave, we've gone well over the hour that I promised you we'd go for. So thank you very, very much. Where can people go to learn more about you? Or PVH? Or any of the fun stuff that you guys are working on?

Dave: You can go to LinkedIn or pvh.com.

Jacob: Simple enough.

Dave: And Instagram. Okay?

Jacob: And Instagram. Perfect. Well, Dave, thanks for taking time out of your day.

Dave: I enjoyed the conversation. And let's talk soon.

Jacob: Yes, for sure. And thanks everyone for tuning in. My guest again, who's been Dave Kozel, Executive Vice-President and Chief Human Resources Officer of PVH Corp. And I will see all of you next week.