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Recorded Message: The Hennessy Report from Keystone Partners. A free flowing conversation with leaders in the HR community talking about themselves, the industry, and their work. Brought to you in cooperation with NEHRA, the Northeast Human Resources Association.

Dave Hennessy: Welcome to The Hennessy Report by Keystone Partners. I'm Dave Hennessy and today's guest is the Chief Human Resources Officer of Moderna, Tracey Franklin. Moderna went from a company known well in biotech circles to an organization known by hundreds of millions of people who have taken the vaccine. Tracey takes us right inside the last 15 months of the rollercoaster ride and the incredible success by the heroes inside Moderna to create the COVID-19 vaccine. It's an incredible story and Tracey is an awesome ambassador for the Moderna culture.

Next up in the podcast is Lisa Abbott, the head of HR and community affairs for Lifespan, Rhode Island's largest employer. And now our conversation with Tracey Franklin.

Tracey, welcome to the podcast.

Tracey Franklin: Thank you. I'm super excited to be here.

Dave: It's great having you and would love to know just a little bit more about you before we talk about what you've gone through in the last couple of years here at Moderna. Share a moment early in your life that impacts who you've become as a professional, as a leader.

Tracey: Early in my life, I always had a desire and inclination to work across people to come to resolution on things, probably because I had divorced parents when I was growing up. And so I was always working through situations along those lines, but it really got me super interested in people and dynamics around that and really led me to the field of HR.

Dave: Amazing. So, 2019, you joined Moderna and it's not but a couple months, then the pandemic is thrown upon all of us. Can you take us back to that time? What's going on at Moderna? What are you doing and how you're reacting to that?

Tracey: Like you said, I joined in October of 2019, so just pre-pandemic, and the organization that I joined was essentially an early stage clinical development company rapidly moving towards late stage development for a product that we thought we were launching in about three years time, right? We were just starting to make sure we have the right capabilities in the organization to bring a product to market. And then the pandemic hit. Moderna has been in business for 10 years and has had a lot of collaborations across industry.

We knew that we were in a special and unique place with our platform to be able to potentially make a difference in the pandemic. As an executive team, we sat around the table really early on in the pandemic, and there were so much that was ambiguous. We didn't know if it was going to be a pandemic. The government was involved, which was really unique and different. We didn't know what the competitor landscape looked like. And, by the way, we never launched a product before, right?



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We knew if we were going to engage on this, it would be our first product that we launched on a global stage. But when it came clear to us that we knew that we were potentially able to have a difference in this, we locked arms as an executive team and said, "Let's go for it," knowing that it could make or break the company, but it was the right thing to do for the world. So we engaged.

Dave: That's an amazing story. What is it about the science that uniquely set you up? Without getting too "sciencey," I don't know how much, but why did everybody feel in your leadership team, we can do this?

Tracey: We had had a collaboration with the U.S. government already in terms of the National Institute of Health to work on a pandemic preparedness pilot on a respiratory program that we were going to start working on already. And our product had been in humans already, so we knew enough about our technology, enough about our platform to know that we were probably able to get a response.

And because our platform is not a traditional vaccine, our platform is broader than vaccines, but in this specific instance, it's not traditional vaccine, we were able to move at a different pace and speed than what traditional mechanisms were able to do.

Dave: Can you describe that a little bit more, just how it's different than a traditional vaccine? I know we've all seen that little thing with the spikes and how it goes after spikes.

Tracey: I think the simplest way that I think about it is mRNA is like code that goes into your body, that your body reads, and it gives your body instructions on how to prevent, cure, or fight a disease. Not using live virus, for example, in a traditional vaccine. The tricky part is, and what we've been working on for so many years, is how do you get that code into your body so your body doesn't reject that code.

Dave: How did you ready the organization? You've made this decision as a leadership team. Now, how do you communicate this throughout the organization? And what was the first reaction that you got from your team inside, throughout the whole organization? What size were you there and how did you ramp up? Okay, I asked a lot of questions.

Tracey: We are about an 800 person organization. We were across multiple therapeutic areas in terms of how we were structured. Interestingly enough, the conversation we had at our leadership team was, how do we participate in the COVID vaccination program without disrupting the core of our business? We did do in the beginning a bit of a split out to say, "Here are the people who are going to focus on the core, and then here are the people who are going to focus on the vaccine."

That was cute to think that because very quickly we had to have a lot of hands on deck, but we did not lose traction on the core of our business. So we did have dedication there. But when we communicated to the organization, people were really excited. If you think about it, we were just about to go into lockdown. It provided our employee base such a sense of purpose and almost an ability to control something in a very uncontrolled environment we were all living in.



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We started down that path and quickly determined who do we think we need to hire and how do we need to do this?

Dave: How did you onboard so many people? And, how quick was that ramp up to get onboard?

Tracey: We hired hundreds of people.

Dave: Hundreds of people right away?

Tracey: Hundreds. We were in a unique circumstance because of the good partnership we had with the government and the funding that we received. We were able to go at risk on our manufacturing, which is not something people typically do. That's how you get speed in a process. Typically you go through clinical trial. Slow. Does it work? Before you go to the next, before you go to the next, because it all costs a lot of money, then you figure out how do you execute on it.

Because we got some funding, we were able to start ramping up and manufacturing right away. We had a manufacturing facility already, and we had to readjust our suites and make sure we were prepared to be able to deliver.

Dave: Early in the process, I imagine you were one of, I don't know, thousands of biotech, life sciences companies tackling this problem in the world. Is there a moment you go back to that sticks in your mind like, oh, I think we have it. We are the ones that are going to lead the world on this.

Tracey: Even before we got the phase one read out, I think we had confidence that our vaccine was going to work. I think Moderna was uniquely positioned to be able to contribute in this space because of the culture that existed. It was a very bold culture, very relentless, curious, collaborative, and iterative in nature. The organization was already trained to think big, to be visionary, and there was a bit of work ethic that already existed in the company.

The people that we had are truly incredible human beings, just giving every ounce of dedication to the company. Their enthusiasm over what they saw happening and how it was working and the heroic efforts that they did to pull off a trial the size that we did gave us all a lot of hope and energy. But I think once we got the phase one trial data back where it showed that it was working was like, "Oh my God, this is happening. This is happening."

But we quickly pivoted to like, "Now we've got to deliver, so we have to manufacturer tons of doses."

Dave: How did this culture come to be?

Tracey: Stéphane is our CEO, and he is one of the most incredible human beings I've ever interacted with in my life. He is so visionary, so bold, and completely unconstrained in his thinking. The culture I walked into was a culture that doesn't see barriers and obstacles.

Dave: Can you give us an example of something Stéphane does that just encapsulates that thinking?



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Tracey: I think the delivery of the vaccine is one.

Dave: Of course.

Tracey: When I first met Stéphane and he was talking to me about the history of the company, I mean, nobody thought mRNA was going to work. Nobody, because we're like we see something here and it's just such a fail fast type of environment, but also in terms of how we've invested. Stéphane and the leadership team before I got here built a manufacturing facility before we knew if mRNA worked in humans.

The foresight to do that actually helped us through the pandemic, but it shows you the commitment around, this is going to work and we're going to do anything we possibly can to make this work.

Dave: He was just so locked in in the vision that everybody that joined could feel it.

Tracey: You can feel it. You can see it. At the same time, he is a French engineer, super detail oriented, very execution focused. It's not like we have a CEO at our helm that's visionary and can't pull anything through. You've got these two polarizing cultural attributes, right? And I think that people that have been hired in and trained here have learned to do both of those, be super bold, but like execute the heck out of things in a very, very disciplined way. Going into the pandemic, I think that mindset was extraordinary.

Think totally different and don't take no for an answer. This is a new platform. This is a new technology. Even the way we interact with regulatory agencies or other countries, think about it differently. Don't think about it like traditional pharma.

Dave: Tracey, I imagine you're bringing hundreds of people in. You have this great and unique culture. How do you integrate these people so quickly into the culture to make sure they're fitting in and being effective?

Tracey: What we did pre-pandemic around the rigor to hire here really helped us in the pandemic. The HR processes and the training of the managers around the type of attributes it takes to work here, the way we put interview slates together, the testing that we did before people came on board to try to see that cultural match was phenomenal.

Dave: Can you tell us about some of the interview slates?

Tracey: We actually have pretty big interview slates, and we've gotten feedback from candidates like, "You've got us meeting with a lot of people," and we're like, "Yeah, we do because it's really important that we give you a complete realistic job preview and that we have enough people assessing from every angle that you're the right fit for the company." We like to make sure that we really have that assessment around, can someone grow with the company, as well as can they deliver currently?



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Dave: You've talked about, okay, this is success. There's a lot of excitement. It wasn't all smooth sailing though. I remember the news cycles were very up and down. Can you take us through some of the emotional roller coaster?

Tracey: Moderna was a biotech company that was really only known in small circles in Boston and Cambridge. And then all of a sudden, we became a household name. And you've got your mother and your brother and your grandmother and your neighbor and every person you know asking you about every bit of information we saw on the news. And as you remember, it was like the biggest thing in the news was around the vaccines and the therapeutics.

There were certainly some really good days where we would show a lot of success, where Stéphane would do a really great piece or the executive committee, and they almost were always followed by something negative. There were such a wave of emotion and it absolutely impacted people. It impacted all of us. But what we tried to do was be as transparent as humanly possible to the organization to explain some of the logic and content behind the news cycles.

Dave: Yeah, I was thinking about that. You're right. Us and Boston Cambridge certainly knew about Moderna and certainly in the biotech community, life sciences, but now billions of people might know the name Moderna. How does that help you now? And what are the challenges with being this household name as you manage your people strategy inside the organization?

Tracey: Absolutely helpful from a recruiting perspective. We've gotten interest from very heavy hitters around the globe to come join the company. That's been fun and interesting to me. A whole bunch of people who are very intrigued by the science, number one, but number two, the culture. The thing that's interesting to me that I'm keenly aware of is the people who came to the company before the vaccine was validated had a certain high level of risk tolerance.

So you think about it, a commercial person coming into the organization before they know we have a product, that's someone who believes, that's someone who takes risks, and with that comes a bit of a cultural alignment. There were still a lot for us to prove from therapeutic area perspective in our platform and who are the people who kind of really want to come in and grow the company to the next level.

Dave: You mentioned this a little bit. You go from early stage clinical development to commercial. How do you scale this? And what does it mean from a people strategy? How did you take this organization and totally shift it?

Tracey: We built very quickly. We just needed to make sure we had the right capability, processes, and technology to walk a product out the door across the globe. That's the build that had happened and is happening. We have ambition to go 10X in terms of impact for population. The challenge for me personally in the HR team working with the leadership team is, how do we learn the best from big tech and big pharma?

Dave: You know that space.



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Tracey: I know that space.

Dave: You've spent some time in Europe, and you spent some time in big pharma.

Tracey: I know that space well. Yeah. How do you learn the best from them, because they figured out a bunch of really cool, interesting things before we have? But how do you build the company in a completely different way? We essentially have a blank sheet of paper. How do you use AI and digital differently? How do we make sure we don't slow down speed and boldness? Those are the things we're thinking about around how do you extract the principles that were used to build this company originally and apply them to scale?

How does that impact how you're structured? How does it impact your governance structures, your performance management systems, your in office policies or procedures? And that's the process we're going through now around true scale.

Dave: Can you give us an example of something that you have changed and it's had a big impact?

Tracey: As we grow larger as an organization, oftentimes we hear folks coming in from big companies using risk and compliance in the same sentence. And we've had to have a really overt conversation with the organization to say, first of all, risk and compliance don't belong in the same sentence. They're very different things. Compliance is a non-negotiable. And of course, we were going to be compliant and ethical. Risk is judgment. And the foundation of the company was built off of leaning into risk, going where no one has gone before.

Dave: Right. It's business risk, not medical risk, right? It's a very different thing.

Tracey: Not medical. Very different thing. How do you train people around a risk mindset? And that's some of the work that we're going forward with right now.

Dave: You have saved so many people's lives through this vaccine. What has been the reaction to your employees, and what has come back to Moderna after all this? And what does it feel like to be at an organization that has made such a huge difference in the world?

Tracey: It's absolutely incredible. Because when you think about it, you join a healthcare company and hope you never have to take their products, right? You don't want to take pharmaceuticals or things because you're hoping you don't have cancer, or you're hoping you don't have something.

Dave: Right. It's like insurance. You hope you don't have to ever use it, right?

Tracey: You hope you don't have to ever use it, right? The fact that we were able to not only protect our entire workforce and ourselves, but our families, our friends, everyone around the globe. When I tell you there's been tears, there's been just tears of pride. The reward of being able to protect so many people is absolutely life-changing moment.



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Dave: It got to be incredible to take the vaccine or have your family member get this vaccine that you created. You talked about the hard work. How many hours were people working? What did you see that just so impressed you?

Tracey: I'm not actually, as the head of HR, proud to say this, because it's something that I think we do need to work on. But when I tell you people were working 24/7, they were working 24/7. You think about the clinical trials team. Our numbers were so small in terms of head count and people which allowed us to, I think, deliver better, because there wasn't policy and bureaucracy and hierarchy and all that stuff. There was no time for a vacation.

If someone took one day off, you could have a one day delay. It shows the dedication that our teams had to save the world essentially.

Dave: I hear you saying, as an HR professional, I'm not very happy about people sleeping in the office, but we're going to give you an HR pass this past year because you save the world.

Tracey: I'll fix it. I'll fix it. I promise.

Dave: I think the whole HR community will say, "It's fine. This one, you're okay."

Tracey: I will say, we did get concierge service for people, and we took good care of them. We popped up daycare centers on site when all the daycares were closed, so people could come and put their kids in the daycare to be able to work. We did everything humanly possible to try to keep people safe.

Dave: I think you've mentioned to me and Omar in the past that you found all the answers to what you needed to do over the last year and a half in business books, all the leadership books and everything.

Tracey: I am a pretty strong believer that we should throw the leadership books away.

Dave: Tell us more about this, Tracey.

Tracey: This past year has taught me a lot. I think when you embrace people for their true authentic selves and allow them to be who they are, the good, the bad, the spiky, you create an amazing environment where people deliver unbelievable outcomes.

Dave: A little bit more about it though, Tracey. I want to understand what you're saying, is that we try to make organizations too perfect or people too perfect?

Tracey: Both.

Dave: Okay.

Tracey: Everybody's looking for a perfect solution with amazing leaders who do everything right. That's not life. Nothing in life works smoothly. And I think a lot of times when you see friction in organizations



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or when you have hiccups between people or when you've got that brilliant person who might not be able to articulate in a way that makes everybody feel good, but it's the right solution, I think we need to embrace that more.

I'm more about embracing the current state situation and making the most of it while planning for a good future, but I just think this art of perfection is not something we should focus on in HR.

Dave: We're going to bring in a couple of people here you know. Meghan Mandino, the producer, and Omar Saldaña who introduced us. First, Meghan's question comes from the NEHRA Emerging HR Professionals group, which we produce the podcast in cooperation with NEHRA. Meghan, your question for Tracey?

Meghan Mandino: Hi, Tracey. We were wondering, how do you support your own well-being while simultaneously supporting the organization's employees?

Tracey: I mean, it's been really tough over the last year, but I think I do two things. One, I try to go for really long walks when I can just to decompress. The real way that I disconnect is I'm like a huge reality TV junkie. When I just engage in reality TV, I can clear my brain, calm my mind, and then I come back fresh. It might not be the best answer. I don't drink green smoothies all the time, but that's my way of taking a little bit of stress off.

Dave: I hate reality TV, Tracey. We're not going to ever watch TV together, that's for sure. Hate it. Omar, you're up next. What questions do you have for Tracey?

Omar Saldana: Tracey, as a recipient of the Moderna vaccine, thank you so much. I'm excited to see family soon. Just awesome. I'm one of those people so grateful. Earlier, you mentioned not losing focus on the core and that Moderna still has a lot to prove. What is next for Moderna, Moderna 2.0 so to speak, and how will that impact talent?

Tracey: What's next? We're going to continue to double down in infectious disease vaccines. There are a lot of areas of disease that people need help with. And now that we know the platform works in that area, we're going to double down and deliver a good vaccines business. At the same time, we're going to continue to focus on rare disease, on cancers, on autoimmune disease.

When you think about the broad nature of the therapeutic areas with the different modalities, there's a lot more to come in terms of this platform and helping the world.

Omar: Thank you.

Dave: I have a prediction that the word booster will be the number one word used in 2022. What do you think, Tracey? Am I off base or what?

Tracey: I do not think you're off base. I think you're absolutely correct, although it's better than pandemic. If we can at least move to booster, we'll be making progress. We are actively working on a



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multivalent booster, which means putting a couple of different strains of COVID into one and being able to boost people. We don't know exactly how it's going to play out with the science, but we anticipate it may be something like a yearly flu shot.

Dave: Right. What are the pivots do you have to make from a talent perspective? What else do you have planned?

Tracey: The way it's almost playing out is almost like a merger integration. We had the existing organization, that grew slowly over time, and then overnight, we doubled in size, and we brought in people from all sorts of different large pharma companies. The work that I'm doing is how do we bring those together from a talent perspective to build the culture that we want moving forward in the organization.

Dave: If you could write a letter to yourself, career professional advice to your 25 or 30 year old self, what would you write? Dear, Tracey?

Tracey: Well, considering I'm 41, it's not that long ago.

Dave: 25. 25.

Tracey: To be honest with you, I think I would just confirm what I thought at the time and that is women can have it all. You can be a mom. You can have an amazing kick-ass career. You can do everything that the world has to offer. For me personally, not to be so anxious about it, to just enjoy it while it's happening, because it's an amazing ride.

Dave: That's great. And something that you hope not to regret 10 years from now.

Tracey: I hope I don't lose my edge, and I don't want to get too comfortable. I want to continue to challenge, to do amazing things both at Moderna and with the broader HR community.

Dave: If you could go to dinner with any person who you don't know, who would it be and why?

Tracey: I would go to dinner with Kate Middleton. I lived in the UK. I am fascinated with Royals, and I think it's such an interesting family and organization. Just curious how it continues to work after all these years.

Dave: Who's your favorite artist, musician?

Tracey: I think the favorite kind of artistic thing I like to do is go see Cirque du Soleil. I think it is a fascinating performance in terms of combination of art and music, as well as risk. I don't know if you've ever seen one of those shows.

Dave: I have.



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Tracey: Unbelievable.

Dave: They are.

Tracey: It combines everything, all the sensations. It's a good use of time.

Dave: When is the last one you've seen?

Tracey: The last one I saw was probably two years ago before the pandemic shutdown. I happened to be in Vegas and I saw one.

Dave: Ah, yeah. The best shows are always there. That's for sure.

Tracey: Yeah.

Dave: Thank you so much for being a guest on our podcast.

Tracey: Thank you. It's been great having the conversation.

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