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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. I'm Dave Hennessy. This is episode 24 where we have the CHRO of Alnylam Pharmaceuticals, Karen Anderson. She's also on the Board of Directors of NEHRA. And, we recorded this podcast in front of a live audience at this fall's NEHRA 2018 Conference, our first live recording. It creates a different kind of dynamic, which I think really works. You'll hear some reactions to things that Karen said from the audience. We actually ask a question, the NEHRA YP question from a live NEHRA Young Professionals member in the audience.

Karen really does some exciting things in the way she involves non-HR practitioners inside her organization in the culture building aspects of her organization, and she talks about some other great things.

Next up in the podcast is the Chair of the Board from NEHRA, Lorraine Goffe. She's also the head of HR at MIT. She was our second recording at the NEHRA conference this fall. So that will be another live recording coming up soon after this one.

And, now I bring you my conversation with Karen Anderson.

She's the CHRO of Alnylam Pharmaceuticals. Please welcome Karen Anderson. Karen, if you've listened to the podcast, we like to find out a little about people's history before we get into talking about their company and HR. Tell us a little bit about how you got into this field of HR or the Life Sciences arena.

**Karen Anderson:** Okay, great. I was born in the UK, immigrated to Canada by way of immigrating to the United States. This is my third country. But so hopefully, I'm okay, I have a green card, so it's a little dicey going through the airport sometimes.

I got into HR primarily because I saw a labor arbitrator at university do a speech about his job. He said he got paid a lot of money. I was like okay, psychology, human resources, I'm going to be a labor arbitrator. That was the beginning. But I worked for Emerson Electric in the early days. Remember Ross Perot? That was his organization. I basically started doing pay equity legislation, equal pay for work of equal value. Interviewing people, doing job descriptions, analyzing jobs, and said, "What is this called? What is this thing called?" They said it was human resources. I thought okay, this is kind of interesting.

Then joined consulting, worked for the Hay Group as an associate consultant. That just simply means you're schlepped around with the senior partners, and you do all the work – on the weekends. Then one of my clients was Bayer, so I ended up joining Bayer in Toronto and became a director of the age of 29 for them.

**Dave:** Impressive.

**Karen:** Really had a great mentor in the CEO. Baxter in Chicago approached me and they said, "Well, what would you like to do?" I said, "Well, I'm a big fish in a small pond. I would like to be in a bigger



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pond. If you sponsor my immigration to the United States, then I'll come join you and leave Bayer." That's what I did.

I went to Chicago. Worked in Chicago. Then went to Pfizer in Ann Arbor, and then New York, and supported the commercial businesses and then the emerging market businesses. Joined Biogen and relocated to Boston to get into a smaller biotech. Then became the CHRO of Alnylam four years ago. So that's my journey.

**Dave:** That's a great journey, Karen. And, Karen, I met you two years ago at an event on a badge here. It was a Gatti event. I was really impressed with what you had to say about a couple things. I think it'd be great for our listeners to hear about the Talent Board. It's an amazing concept. Please tell us about what it is, why you did it, and its effectiveness for Alnylam.

**Karen:** I have lots of crazy ideas. My HR team is oftentimes ... I have a whiteboard and I said, "You know, I have been thinking." They all go, "Nooo." One of the ideas that I had – when I joined Alnylam in 2014, it was 158 employees; today we're 1,100 in 19 legal entities within four years – and I knew this was our strategy that we were going to grow with this kind of growth.

Oftentimes in HR, you can come up with great ideas and we're in love with it. We sell it to senior management. The senior managements says, "This is amazing. Let's do it." Then sometimes the integration or the application doesn't always land the way you thought it was going to land.

Knowing this kind of growth, I decided to form what I call a Talent Board. I choose ... and it's just I run it like a board. It's chartered. I pick 15 individuals every year with the help of senior leaders, all different levels. I look for individuals that are...

**Dave:** All functions too? All levels, all functions?

**Karen:** ... all functions. You have to be director and below because I'm already dealing with the senior leaders, so I got their vote on whatever they want. Basically, I look for provocative individuals who have a point of view, who may not always agree with what I'm doing or what the HR team is doing. I charter them. They join in January. It's a one year term. We test ideas with them and we get their point of view on things before we roll anything out.

It's a very fluid group. We meet pretty much every month for lunch and we go through concepts. There was one, for example, I wanted to do this recognition kind of concept. I was all excited. I showed it, and they're like, "Yeah, no." I was like, "Rats, now I can't do it," because they're like, "No, that's not going to work. It doesn't fit the culture." I think it's a very valuable...

**Dave:** They vetoed you?

**Karen:** ...they totally vetoed me, totally vetoed. You have to accept that if you're going to go with that. If you're going to use a grassroots group, then you have to commit to a grassroots mentality. That's kind of the mentality that I've utilized to implement HR.



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**Dave:** Any specific benefits you can point to either with the engagement of the organization or a particular initiative that just really has changed Alnylam for the better?

**Karen:** Yeah, so we're working on right now ... You can imagine with that kind of fast growth, we have high achievers who burn out. They hit the wall. They don't cry uncle before they hit the wall. They just hit the wall. We're having to ... and I call it an addiction like people are addicted to their work and "I can't put anything down, I can't take a vacation." It's a little bit of a self-fulfilling prophecy.

I challenged the Talent Board, how do we change this mentality? How do we legitimize it's okay to say, "I got to go home at two o'clock because I got something for my kid," or a role model vacation. They've been working on a whole campaign of flexibility, life, and enjoy your job. It's grassroots. It's not just HR coming up with something and being the hero. That's proving to be valuable. It makes me look smart 'cause like they're doing it and they're like, "Wow."

**Dave:** Great strategy.

**Karen:** Yeah, it's great.

**Dave:** The other thing you said that day, Karen, I remember it you had just a few hundred employees a couple years ago. You said out loud in front of the public, "We're going to 2,000 employees." Where are you now with the number?

**Karen:** We're 1,100 with a workforce plan for next year to go to 1,450. So I...

**Dave:** Your vision is still intact.

**Karen:** ...my vision's still there. It's still working.

**Dave:** The other thing you talked about is what you're doing to recruit. One of the things that I really remember you talked about is the onboarding process and how you embrace people even before they join, and after they join Alnylam. Maybe some tips for others to work on those things.

**Karen:** That was one of the first things I worked on when I came in 2014 is to put in a very robust onboarding and assimilation strategy. Because if you're going to recruit that many people, they have to feel like they're welcomed and embraced. The faster you get them feeling comfortable, the faster they can be their best self at work.

We start all the way ... I won't go into the recruiting process. But if I start with once they've accepted the offer, I send a letter and a gift basket to their house before they even start, saying, "You made a great decision...you made a smart decision coming to us." Right away ... and it's purposeful, right? Because you want the family or their significant other or someone to see it and go, "Wow, that's kind of a cool company."

From the moment they come in, obviously we have a two-day onboarding. A lot of people have that. But we do case studies on the operating model on the second day. It's a team bonding. It helps to get people



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to understand maybe the cultural differences. 'Cause a lot of people say, "Well, I've come from another pharma or another biotech. I know how we make decisions." But we do some quirky things. Giving case studies right at the beginning gets them to also learn the acronyms as fast as possible.

Then at the 90-day mark, we do a very intensive one day session with the CEO and other leaders. 'Cause we find people don't know what to ask in their first or second day. But 90 days in, they're like hands are up. Because they've seen enough that they feel more confident to ask more intelligent questions. We have found that works.

**Dave:** That's great. Well, Karen, you know that Keystone produced this podcast in cooperation with NEHRA. We have in each podcast, which we're recording, so we're going to release this to the people that couldn't make it as well. We have the NEHRA YP, NEHRA Young Professionals Group question of the podcast. We're looking for a NEHRA YP member that might have a question. Oh, there's one right there. This wasn't planned in advance.

**Karen:** Oh, oh, wow.

**Dave:** Could you please stand up and say your name and name of the company and the question you have for Karen?

**Alexandra (Lexi) Kantor:** Hi Karen.

**Karen:** Hi.

**Lexi:** My name's Lexi. My company's name is Cambridge Semantics. We're a small big data analytics software platform in Boston. I'm a one person HR team. I'm always curious to ask senior HR leaders what is currently on your book queue? What are you reading or what are you hoping to read in the next couple months?

**Karen:** OK. Yeah, all right. I'm reading a really great...

**Dave:** Excellent question.

**Karen:** ...I'm reading a really great book right now. It's called *The Power of Moments*. It's by Dan and Chip Heath. This tells you a little insight of who I am as a leader. If I'm reading something I get excited, my whole team is reading it. My whole team got the book. It talks to ... It's not how much you do, so don't get enamored with we did 10 activities, or we did all of these things. It's more of the power of moments of what can make the biggest impact, the surprised impact in the organization.

The book has a funny story about a hotel that's right next to Disney World. Of course, they can't compete with the Disney World hotels. They're glamorous and all kinds of things. It's a very simple hotel. But they decided they were going to compete on unique moments. They put in these red telephones in the hotel. You pick up the phone. It says, "Hello, you've reached the Popsicle Line." Kids who stay at that hotel, when they tell their parents, "I want to go back to the hotel that has the Popsicle Line," that's a power of the moment.



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I have my whole team reading it because we're going through our processes, what's the power of moment that we're creating with employees and their experience with HR? How can we give that unique feeling, that high touch feeling in the organization? That's one of them.

**Dave:** Great question and answer. Thanks, Lexi.

Karen, when you think of HR people that are really excelling now, maybe some that are on your team, what are the competencies, the characteristics of those you see that are going to be moving up into the function and hopefully have a job like you one day?

**Karen:** Okay, so I have a very specific philosophy on this. Again, my poor team, I have a mantra, and I talk about this all the time. I see there's three types of HR people. First type, ask great questions, can build relationships, makes great observations in the moment, type one. Type two, does all the same things, relationships, ask great questions, very engaging in the moment, but can create an action plan to what they're seeing. Type three, and this is the type that I like to hire or grow. Build relationships, great observations, can create an action plan, has the tenacity to follow up on that action plan over time to see if it produced the outcome. The third type is really hard. I can find a lot of the first type. I can find a few of the second type. We can put in the ring of the third type not as much.

**Dave:** The tenacity.

**Karen:** I am constantly saying, "That program a year ago, what's the pull through?" I want to see are we using it? Is it creating impact? If it's not, it's gone. Move along. I express this all the time in my HR team, yeah.

**Dave:** That's great. When you look back on your career someday ...

**Karen:** Someday?

**Dave:** Someday.

**Karen:** Yeah, okay.

**Dave:** 20, 30, 40 years from now, what do you hope to be remembered for, Karen?

**Karen:** I think probably my legacy of creating fellow CHROs.

**Dave:** Hmm...that's great.

**Karen:** I'm really excited.

**Dave:** Have you ever done that?

**Karen:** Oh yeah.



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**Dave:** Wow.

**Karen:** Definitely. I'm very excited when someone's worked for me, and then later on they're a CHRO. I mean, I'm thrilled. It's so funny to have so many of the people that have worked for me are now my peers. Someone will say, "Oh, do you know so and so?" I say, "Yeah, they worked for me." And they'll say, "Do you know so and so?" I say, "Yeah, they worked for me." I mean, it's fantastic. I love it, love it.

**Dave:** That's great. All right we have our last question. It's following up on one of Lexi's questions, a different type of question. What's a book that changed your life? Not just what you're reading right now, but one that's changed your life.

**Karen:** Okay, so I'm sure many people here know it, but it's Amy Kates and Jay Galbraith's Organization Design book. It's a how to of organization design. I read that probably it's got to be 10 years ago. It is so full of very practical ... it's an easy read ... and it's full of business acumen of how to think about structuring an organization or even thinking about how you could pose a business question. It's a very user friendly ... I found that book really amazing.

**Dave:** Karen, it's been great having you be a guest on The Hennessy Report. Thank you so much.

**Karen:** Thank you.

**Dave:** Can I have applause for Karen?

**Karen:** Thank you.

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