



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 everybody to a live recording of The Hennessy Report podcast. I'm Dave Hennessy. Our next interview is with the CHRO of IDEXX, right here in Westbrook, Maine, and under his leadership IDEXX has doubled in size to 7,400 employees, and he's recognized by his collaborative and entrepreneurial style and has an impact on Maine and Maine employment policy.

Welcome Gio.

Gio Twigge: Thank you, Dave. Thanks very much. And Barry, I was thinking, if you can go out singing, maybe I'll start singing then, but then you know what? My mom always used to say, you've got a voice for the radio so I can turn you off, right? So that's the love of a mother, so I won't try singing.

Dave: First, let's hear a little bit about you. An inflection point, something early in your life, a moment in time, that as you look back on it now, it kind of sets you on this path.

Gio: I've been in HR now for almost 40 years. It is not, for me, particularly a moment, but it's more sort of a period in my life, and that's the '70s and '80s. And I spent those formative years as a gay white male in South Africa. So let's unpack that for me. South Africa in the '70s, '80s, was an incredibly a religious country. Being gay was not acceptable. It wasn't socially acceptable. Police were sort of harassing gay people. I had no role models. I didn't come out. I decided that the way to be gay is to hide it. In fact, loneliest experiences of my life. I didn't come out at work until I was 40 years old. And in fact, that's the time that I came out to my mother as well. Although when I told her, she said, "I knew all the time" Right? Typical thing.

But I was also a white male and the '70s and '80s was sort of the height, and fortunately, the downfall of apartheid. Apartheid was a horrible system of segregation based on race. For me, living in South Africa during that time, where that segregation, that discrimination, afforded and gave me rights simply on being a white male. Fellow South Africans who were black and people of color did not have the same rights, the same rights to live where they wanted to live, the right to education, the quality of education. And I do not come from a wealthy family, but I had access to an amazing quality of education, whereas my fellow South Africans of color did not have that.

So, experiencing sort of the profound impact of discrimination simply based on color, has sort of shaped who I am as an HR professional. And in my 40 years, I have chosen to be in HR because I realized that that is where I can actually make an impact in an organization, to make sure that if you happen to be gay, that you don't have a lonely experience at work, that there our role models, that it is okay, that you need to be who you are, especially last year with George Floyd's murder and then all of the focus on race. I asked myself, "We focused on diversity for so many years, but have we really gone to the root cause of it? Have we truly systemically challenged the things that cause this continued discrimination?" Because my experience in South Africa was not just a Kodak moment. I saw the sort of multi-



generational impact of discrimination on people. It's in the moment, but it lives through generations, both in the individual and in families and in communities.

That period of time fundamentally shaped who I am and why I put energy into certain things and why I will not remain silent on certain things.

Dave: That's great. Can you tell us a little bit about your business now? Tell us about IDEXX. We've all been getting more pets and your business has really been impacted by this pandemic because so many more of us needed companions at home.

Gio: Exactly. We've actually got almost about 10,000 IDEXXers around the world.

Dave: Wow. And what are the values of IDEXX?

Gio: You started off by saying this pandemic, people being very lonely, but also discovering and rediscovering the power of companionship from their pets. That's what we do. For the last 40 years, we've been very much focused on innovating and expanding what we do from a diagnostic perspective to improve the quality of life for pets and making happier pet owners. We are focusing on enhancing the health and well-being of pets, people, and livestock. We drive innovation in this space. We lead the market in all three of those segments. We grow organically. We grow double-digit organically. We create our own growth. We don't grow...

Dave: I couldn't even keep up with your growth.

Gio: I know.

Dave: So, Gio, who uses your services? Who uses the tools and the resources? What is it that they're getting from IDEXX?

Gio: We are a B2B to small C. We serve veterinarians. We provide them with innovative diagnostic solutions so that they could do an early diagnosis to determine what is wrong with your pet. We serve veterinarians who serve livestock, and then governments, when it comes to water testing. We estimate about 2.6 billion people around the world drink water that is tested through an IDEXX tested product. And those are mainly government agencies that we serve.

Dave: Wow, it's quite a wide range of services. How much has pet ownership grown? Do you have any stats on that? I know we all see our neighbors getting pets, that haven't had pets before, but do you have any data on just like how fast this market has grown?

Gio: You, like so many, have seen how pet shelters are empty, right? Because people adopt. We estimate that pet adoptions, puppies and kittens, has grown 10% in the last year as an example. But to innovate it's collaboration. You need to collaborate and for collaboration you need to network. So the un-prescribed rules that we have is excessive networking, excessive connection, and you do that by also de-emphasizing hierarchy. Hierarchy is a killer because innovation and a fantastic idea can come from an



intern who is working with some of the latest technologies at university. It doesn't necessarily come from the most senior person who might be a little bit out of touch with the latest technologies, right? So by de-emphasizing hierarchy, by emphasizing network, that's some of the unwritten rules of how we help innovation and collaboration.

Dave: As you mentioned that, I remember I was out taking my mother-in-law to brunch up in Maine, in Portland, and I mentioned that I was interviewing you. I think we went by your facility and she knows a lot of people that work there. There's quite an ambassadorship of IDEXX employees that love the environment and love the way you work. And maybe you could talk a little bit more about that, the culture, and how that helps you recruit.

Gio: On the one hand, you can have this awesome purpose. You could have fantastic products, but if you don't have the people and the culture, it's not going to go anywhere. And if I reflect, back in 2009, we were growing consistently, consecutively, high digit. We had fantastic programs. Our customers loved the products that we did. They were highly innovative. Yet, when I came here, one of the things that the CEO said and why they were going out there, sort of establishing a full HR function, was our engagement numbers are not where it should be. We are seeing people leaving this company. Why would they leave this company when you have such an amazing purpose and such an amazing drive for innovation in this space? That's been my journey and been my mandate with the team that we've assembled and the leaders that we brought into the company, is to focus on people, on talent, and the culture, so that we balance that as a third, very important ingredient to the success of the company. Great purpose, great products, innovation, but also great talent.

Our engagement numbers are the highest it's ever been. Our turnover numbers are, on record, the lowest it's ever been. That's sort of a mojo that we keep nurturing.

Dave: We've got a question coming in here. "What are some of the unique HR challenges and opportunities in a publicly traded company? And what are some of the things that you've created at IDEXX that are food for thought for smaller organizations?"

Gio: Remember, we were a small organization as well, and I would say they are no different from a big organization than a small one. I think sometimes for a bigger one, you have bigger challenges because in a big organization, how do I control 10,000 employees versus easy to control, 200. Therefore, there's that urge to systemize, to bureaucratize. And the minute you introduce bureaucracy, that's when it starts stifling entrepreneurship. That starts stifling empowerment. It brings bad habits in from leaders. So I would say the challenge is almost bigger for a big company to not go that way around, to retain that small feeling that a small company has, that can do things that a big one cannot do.

Dave: Gio, somebody asked a follow up question. "How do you ensure leader egos don't get in the way?" There's this natural thing, when people get promoted, the hierarchy builds. How do you keep it flat Gio?

Gio: The more successful you become as well, as a company, that ego gets easily inflated, right? So, hubris. How do you remain humble? By setting standards for leaders. You have to have a set of



expectations, in terms of what we expect from leaders. Because a leader just has a job to do. Under my leadership IDEXX doubled. Well, I only played a role. A person, as an intern, helped us double the size. And I think once leaders start understanding that they are purely a part and they have an important part to play, but they have only a part. It's not them who drives it. It's a whole ecosystem. And having very honest and open conversations to call them out when their ego starts taking over.

And what I loved about last year, where most of us had to go remote, and suddenly you had to leverage technology. And so you don't have the meeting room, and the boardroom to go and sit at the end of the table and let your ego rule the table. You were now just a little box on a screen and the algorithm of the technology platform that you used determined where the box is going to be. So I loved that as an equalizer. Check your ego.

Dave: That's great. Another question coming in. "What's your view on the trend to rename, rebrand, the HR function? People Strategy, People Function, People Operations."

Gio: I love it. I don't have the answer. Because "Human Resources", "Resources" says it's in service of something. And for me it de-emphasizes the "human" in human and people. So I like the concept of moving away from the titling of human resources to acknowledge people but I don't know if "people" has the right ring to it, or what it should be. So I'd be interested in people's thoughts on that one.

Dave: We had Emma Woodthorpe on the podcast, at Mercury Systems, and she changed Talent Acquisition to Talent Attraction because you don't really acquire anybody, they're on loan, right? You don't have them forever. That's a good use of language to change parts of the HR function.

Gio: I think that's one of the things that last year showed us as people in organizations. As much as we thought we have gone away from the industrial era, we still pretty much operate on industrial era rules and regulations of you've got to show up at eight o'clock. You work till five. And we think we have all the rules, but pandemic and working remote and working productively remote have shown us that we could have both flexibility and be very productive without necessarily having to slave to widgets and be treated like widgets.

Dave: That's right. And how has resiliency played a role in helping you and your organization through this pandemic, in this distributed way of working?

Gio: Back in October, 2019, so about six months before the pandemic, we had a terrible experience at IDEXX. Our CEO of about 17, 18 years had a terrible bike accident that left him a paraplegic. So, I still remember that day, vividly, in June and I got a call from the CEO's assistant to say, "John's been in a bicycle accident and it doesn't look good." He'd been in hospital that whole day. 5:30 the next morning I got a call from John, out of the hospital, with his wife on the phone saying to me to trigger the succession planning process. I dropped everything, went to see him at 6:00 that morning in the hospital. He was severely injured. And today he is a paraplegic.

In all of that pain, in all of that trauma, he recognized that there was an organization that depends on him and as an HR person, one of the things we work with, is succession planning, and we had a well



thought out succession plan, but as a publicly traded company, that's material information. That's not something you could share with anybody. So we triggered that. We went through a CEO transition. We went through a massive reorganization as part of that CEO transition. We just launched that in January of 2020, and the CEO was much loved. He was like a CEO founder, almost, of the company. So that was a huge shock to the organization and a huge change that we had to work through. The resiliency and how the company embraced and rolled with that was just amazing.

So, January 2020, we'd just rolled out the global one, put new leaders in place and thinking huh. And then we started seeing, because we have big operations in China, and then we got this call for help. Our employees... There's no masks available. So we start collecting and shipping masks from here to China. The boxes hit the ground on that side, and then the virus started spreading. It was pretty apparent for us very quickly that this thing is going to go like wildfire around the world.

So in February we assembled a cross-functional team that met literally every day of the week for all of last year to come up with... How do we help our employees, right? How do we track and trace? How do we triage? How do we support? 30% of our employees work from home. They were in one of our reference labs around the world. They were in manufacturing and distribution centers. Early on in the pandemic we were categorized as essential services, so vets had to remain open and we had to supply vets, so we had to remain open. We surveyed our employees throughout the process multiple times, "How do we help you?" And as you can see, from our full year results.

Dave: Yes, I saw that, it was at like 25% growth or something. It's crazy.

Gio: Unbelievable growth in the early '20s, for full year. As we surveyed from an engagement perspective, turnover perspective, engagement remains high. I guess what makes it resilient is the passion of IDEXXers for the purpose.

Dave: One more business question. How do you use technology in human resources to help your organization?

Gio: Strategy is one of the things that the company do phenomenally well. We, every year, go through a bottoms-up, top-down approach with strategic planning. We look five years out and HR goes through exactly the same thing. Many years ago, as we looked at the growth of IDEXX. Although we have a third of our employees here in Maine, we were going to go out around the world and we needed to leverage technology to deliver a better experience for IDEXXers wherever they are around the world. We needed to improve efficiencies and productivity and scale for HR.

So technology became a foundation for delivering on our strategy. So we implement a multiple holistic technology solution five years ago. And thank goodness when the pandemic happened and 60% of our employees had to go and work remote, it was seamless. There was very little distractions because we have technology in HR to help execute. Whether it is from recruitment perspective, because although we halted recruitment for the second quarter, we ended the year up recruiting about 1600 people, very similar to what we recruit in every other year. So we could keep recruiting. We could keep paying



people. We could keep the transactions going. We could leverage technology to help and adjust with some of our safety protocols and we continue to enhance that.

Dave: That's great. All right, we have a couple of bonus questions for you to send you off here. The NEHRA HR Emerging Professionals question of the podcast to you Gio, is, "What's something that you hope not to regret 10 years from now?"

Gio: No regrets. Looking back, regretting, is for me, in my mind, an absolute waste of time. I cannot spend time sitting. And Barry's question is... One of the things he hates is people who pout and sort of drags himself along life. If I go and sit on a heap 10 years from now, regretting something I have not done, it is eating up very valuable time for me to actually live life and enjoy a cocktail.

Dave: Okay. What's something interesting about you that we can't find on your LinkedIn profile that you're willing to share.

Gio: I love gardening. I am passionate about gardening. One of the benefits we had at IDEXX is that if you reach 10 years of service, you get a full month sabbatical. And thereafter, every five years, just as a testimony to the resilience of the company. Last year, I was able to actually take my month in October. So I decided my garden needs some bulbs and so I put 5,000 bulbs into my garden.

Dave: That's all?

Gio: It's gorgeous at the moment, but that is a bag of daffodils over my shoulder and an auger to go out planting. So, I love gardening.

Dave: Who's your favorite artist, performer, musician in the world.

Gio: This goes back and it dates me. The British singer by the name of Marianne Faithfull. She has got the most amazing voice and she's a woman who had gone through many, many, many struggles in her life. And she's like 74 at the moment. She just launched an album, *In Beauty She Walks*, which sucks cause she can't sing anymore, but she's put poetry to voice and some of the Keats and Yeats to poetry and it's the most beautiful album.

Dave: Marianne Faithfull. Well, that's good, a good tip for all of us.

The Roux Institute will be joining us later this morning. And what are your hopes for their work in Maine, Gio?

Gio: We already partner with them. I am so excited by that. They are focused on technology, which is critical for all industries. They provide practical training courses. It's easy to participate in them. They're, for me, a model for the education system and I love seeing them right here in Maine. So like many others, they are also discovering the beauty of Maine.



Dave: That's great. Well, thank you Gio for being a live recording guest on The Hennessy Report by Keystone in cooperation with NEHRA, and the Maine HR Convention. And thank you, Barry Gale and Bud Bernstein as well.

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