



CHIEF PEOPLE & ORGANIZATION OFFICER

Interview with Rob Kowalski

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Rob Kowalski

Chief People & Organization Officer

ABOUT YOU:

Who is Rob Kowalski? How do you describe yourself?

I am a husband, father, son, friend, and a colleague. Since I can remember, I always wanted to make a difference. Through the work we do in P&O at Novartis, we have an impact on shaping our organization, which in turn has an impact on how we reimagine medicine for our patient population. But we can also have an impact on those around us through our everyday choices and actions. Did I take a moment to ask how a colleague is doing this week? Did I really listen to their reply? Did I notice who wasn't speaking in that last meeting? Did I ask for their view? I feel content at the end of a day when I know I did something that matters.

How would your family and friends describe you?

Someone who is there for them in good times and bad. Someone to have fun with and laugh together, to grow together, and challenge and support each other to be our best selves.

How important is leisure and recreation for you?

We all work hard, but it is really important to keep balance in our lives. Time with family and friends helps me to recharge and keep things in focus. Personal time, time to reflect and think, is also important for me.

What is your recipe for a healthy life?

Similar to the above. It is about keeping perspective and balance.

How important is constructive feedback to you?

It is critically important. Constructive feedback, someone seeing things differently than you do, is how we grow as humans and as leaders. The further I am in my own career journey, the more important this has become for me. And it's more than just receiving constructive feedback ... what's even more important is what you do with it.

If you had one wish, what would it be?

For everyone to be kind to each other.

YOUR ROLE AS CHIEF P&O OFFICER:

Since 2010, you have been working for Novartis in Global Drug Development and Regulatory Affairs. In September 2021, you took on the role of Chief P&O Officer. At that time, we were still dealing with the COVID-19 pandemic and the business world was facing a big change.

What motivated you to take on this position?

For a long time now, I have been motivated by and enjoyed the people aspects of being a leader. To help individuals grow, to shape an organization to be at its best, to further foster a culture that drives performance, and to hopefully make a lasting impact.

What does cultural change mean to you and what do you understand by "Choice with Responsibility"? In your view, were there any misunderstandings during the introduction?

Culture change is a journey. Our culture is always changing, sometimes at a faster pace than other times, but it is always evolving. The tone of a desired culture can be set by leaders, but it is all of us who bring it alive in "how" we work and grow together. We set out on this journey with a learning mindset, listening to our associates and knowing that as the world continues to evolve, we would need to continue to flex and adapt to evolve with it. Choice with Responsibility was born at a time when we didn't fully understand what the pandemic meant for the workplace. It was always about hybrid ways of working, focused on maximizing impact. It made a lot of sense at the time, and it served Novartis and all our associates well. We collectively did heroic things through the pandemic and should be proud of that. Two years later, our freedom of movement, the ability and desire to interact with each other, and our daily lives in most countries are

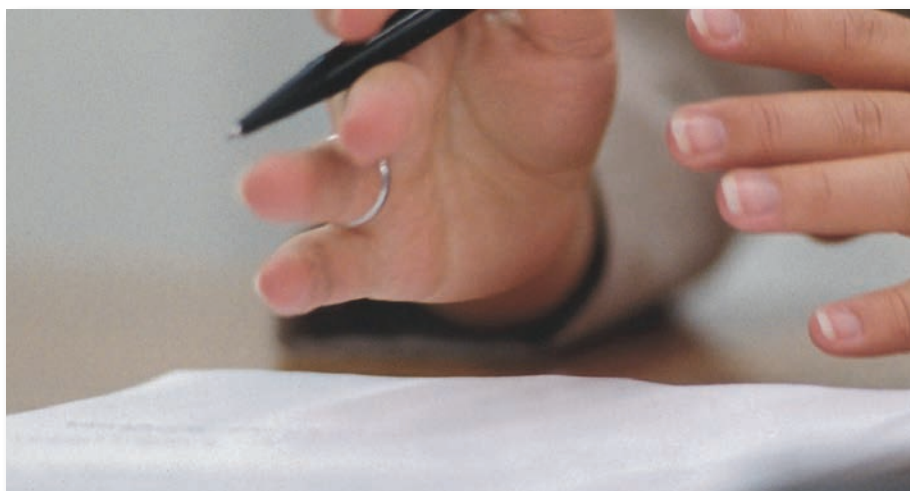
almost like before the pandemic. While acknowledging the “how” we work is forever changed, I see an evolution in our approach to prioritize team building and collaboration, with a renewed focus on growth for our company. Our evolved approach should embrace the flexibility of remote working while recognizing and prioritizing moments that matter in the office, in service of team connectivity as well as collective accountability.

The P&O role (formerly HR) has changed significantly in the last decades. What role profile should a modern P&O bring along and how will this role profile look like in the future?

Modern P&O organizations need to be both strategic and operationally excellent. P&O should be intimate with the business and functions we support, so that we can help them (and the larger organization) achieve our goals as a company and focus on those things that are truly impactful. Whether it is designing the best organizational model, implementing a world class talent strategy, helping to shape the culture of a 100,000-person organization, or creating a learning environment that we can all grow and thrive in. At the same time, P&O also needs to strive to provide a seamless employee experience for the hundreds of millions of P&O transactions we do every year from making sure everyone is paid correctly and on time to helping an associate navigate a career or life event. It is the seamless blending of these capabilities at a grand scale that we strive for and that will continue to shape our leading P&O organization for the future.

The company places a high value on the topic of “talent”. What is the strategy to retain and promote these “talents” in order to prevent talent loss?

To realize our purpose of reimagining medicine to extend people’s lives and deliver on our business strategy, it is imperative for Novartis to ensure that we have the talent, skills, and organizational capabilities it needs at scale. To enable business success, we need to manage talent in efficient and effective ways that engage and retain a workforce skilled to sustain performance over time. In our strategy, we reflect the several aspects and dimensions of talent management: Acquiring, growing, and engaging talent. It is critical to match the right talent with the right role at the right time as well as manage performance. We do this with the employee experience at heart and by simplifying processes and upgrading to new technology. In bringing all these dimensions together, our overall talent management strategy helps us unleash the power of our people, drive performance and win as a focused, innovative medicines company.



Traditional continuing education no longer exists and has given way to a digital platform, partly for cost reasons. This is a bit like going to a restaurant online, for example. There is a wide range of food, but you can't really taste any of it. For many, this type of learning is not sustainable. Wouldn't a compromise or a good mix of online and classroom teaching be better?

There are certainly advantages to digital learning as we can deliver training and developmental experiences to a wider audience. This is an important capability that we will continue to have and invest in for the future. There is value in bringing people together in person for specific types of training or team building that is more impactful when done together. I would expect that we will see a return to some in-person training in the future as we move into more ways of hybrid working.

BAROMETER:

The Glint survey is also a topic that many employees are questioning. Is it still the right tool to feel the pulse of the employees?

The Glint survey really is an important tool for us to get a sense of how people are feeling about Novartis. The beauty of the tool is that it only takes about two minutes on average to fill out and we still have a 70%+ response rate, which is above the industry norm and tells me our associates want to be heard. So, we'll keep listening! This is even more important during times of change.

The employees are highly valued in the company. Where do you see your responsibility?

Yes, I agree. We do value our employees very highly. They are the life of our company and the most important asset we have. My responsibility, along with my ECN colleagues, is to make sure that our employees feel valued and ensure Novartis is a place for them to happily come to every day, to make an important contribution in their areas of expertise, to have the opportunity to grow, and to make an impact on the business.

TRANSFORMING FOR GROWTH:

We are again facing a major restructuring. The last announcement of 25 September 2018 with the goal to reduce 2,150 head counts within 4 years is still not finished, we are now starting a new one. In Switzerland, 1,400 employees will be affected by job cuts and offshoring. The employees are tired and disappointed by this constant restructuring, and not everyone can understand it. How do you explain such measures to your private environment?

I share with you the same thoughts that I share privately. First, I understand that many employees are frustrated by what feels like constant restructuring. Change is difficult, especially when there are uncertainties about your job. When faced with inevitable restructuring, we do our best to approach it fairly, compassionately and in line with local law and legislation. We operate in a business and an industry that is constantly changing. We, in turn, as a company need to continually adapt to this as well.

How can we prevent restructuring with such a scale in the future?

While it is never possible to predict the future, my belief is that the scale of Transforming for Growth is unique. Transforming for Growth is one of the largest changes we have made since the formation of Novartis, but a necessary change to prepare our company for future growth. When Transforming for Growth is complete, my preference would be to see more continuous evolution of our company as opposed to large-scale change. As key enablers, we increase even more our efforts in workforce planning, improved focus, and define clearer responsibilities throughout the organization. Companies that constantly evolve are often those best prepared for the future.

This new restructuring has severely affected the trust and loyalty of the employees towards the company. Is the management aware of this and if so, what does the management intend to do to rebuild these two factors?

I have heard directly about these issues from many associates throughout the company and in Switzerland, who have openly shared with me their stories, concerns, and frustrations but I have also heard from associates that it was overdue to increase focus, simplify processes and clarify responsibilities, and who remain optimistic and have a lot of hope and excitement for the future of our great company.

Change is hard, especially when it is personal and concerns an individual's job and the impact on their family. The ECN is keenly aware of this, and we discuss these issues regularly and with a sense of concern and compassion. Our commitment throughout the transformation has been to provide transparency and as much clarity as soon as we can. I have always been an optimist, and while I recognize how hard this can be, I truly believe that when we have completed the transformation, we will be in a better place as a company with a simpler and more focused organization that will enable us to create greater impact for our patients.

PHYSICAL AND MENTAL HEALTH:

Novartis offers its associates a wide range of courses designed to support and strengthen physical and mental health. Physical and mental health is the highest good of mankind. Unfortunately, some of us do not listen enough to our own body signals, which the subconscious sends, and this can have consequences in the long run.

Which of the Novartis offerings help to maintain physical and mental health?

All our offerings on mindfulness and resilience trainings cover both physical and mental health as the cause of suffering could be due to lack of physical (sleep, movement, nutrition) as well as mental health issues. We also have two apps (Tignum X and Awakened Mind) that aim to cover well-being holistically and are available to all associates.

Will you promote the program Mental Health First Aider as being mandatory for managers once the pilot was successful?

We have more than 1,000 Mental Health First Aider trainers worldwide and continue to promote the program. We also have an e-learning module for all managers in six languages on mental well-being which is integrated into our new manager onboarding curriculum.



Isn't prevention better than cure?

Prevention is always better than cure and our Energized for Life (EFL) initiative is exclusively focused on prevention with many different offerings ranging from one-hour training courses and e-learning programs to daily mindfulness sessions. We are particularly interested in how these programs impact the behavior of our associates. We continue to measure impact and reach and adjust our offerings constantly, like our flagship "How Are You Feeling?" page with more than 55,000 visits.

LAST BUT NOT LEAST:

Is there a message you would like to give to the Novartis employees?

I'd like to express my sincere gratitude for what you are enabling at Novartis. All of your dedication and commitment as we go through this transformation enables us to seize an incredible opportunity to create a new Novartis. I recognize how challenging this is when you are dealing with uncertainty yourself and have to support your teams through the change.

Where do you see our company in ten years?

While it is very difficult to foresee the next ten years given the constant macro-economic changes, I would hope that we will have been successful on our journey to become a nimbler and more focused organization that easily adapts to market changes and our employees' expectations so we can reimagine medicine and deliver on our ambition to be the most trusted and valued medicines company in the world.

We would like to thank Rob Kowalski for his openness in answering our questions. This is greatly appreciated.

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