Adolfo Hernandez

Content Globalization

**An Interview with
Adolfo Hernandez, Chief Executive Officer, SDL**

EDITORS' NOTE *Adolfo Hernandez's career has taken him from director and SVP positions at IBM and Sun Microsystems to Alcatel-Lucent, where he eventually became EVP & President of the Global Software, Services and Solutions Group. He then spent two years as CEO at Acision, which was acquired by Comverse to form Xura in 2015. Hernandez joined SDL in April of 2016.*

COMPANY BRIEF *SDL (sdl.com) is the global innovator in language translation technology, services and content management. SDL turns content into currency, driving revenue for businesses by making meaningful connections with customers in their local environments. With more than 25 years of experience, SDL creates transformative business results through nuanced digital experiences with customers around the world.*

What excited you about the opportunity to lead SDL?

I've been in software and services for my entire career and this was an opportunity to lead a company that is two-thirds services and one-third software, so it satisfied both of my passions. I speak five European languages and I've lived in five different European countries. This is a company that knows a lot about language during a time when the entire world is going global across multiple markets. Some of our customers are going to market in 105 languages, and that trend will continue, and content is going to be at the center of that.

This was a chance to take a company with a strong heritage that has done well and built great assets and turn it around at a time when there is a huge demand for globalization and when every business is talking about digital transformation.

How important was it to convey the message of your vision internally when you joined the company?

Change can be scary but, in our case, the only thing that was scary was the uncertainty. However, I explained that we were great at content globalization and that we were going to go back to doing what we knew how to do well, and that we were going to bring in new tools to succeed in that market. The people knew what needed to be done.

Will future growth come from both services and software?

It's going to come from the blend of both, and this is where we can position ourselves well. Customers, now more than ever, are buying a solution for content globalization, and this solution is something that a company like ours has to aspire to build.

What is the sweet spot for your customer base?

From a customer perspective, the sweet spot is large enterprises that produce a lot of content and consume a lot of content from their consumers. They generate content in multiple formats from multiple channels that deal in multiple languages, and they have to reach out and personalize for multiple audiences.

Traditionally, that would have been the Fortune 500 companies, but there are now some emerging midsize players that have global ambitions. Increasingly, we're starting to see the new Chinese or Far-Eastern corporation that is on its third or fourth wave of globalization. They're trying to become premium brands globally and need a lot of help.

Are there geographic markets you're most focused on for growth?

In the short term, North America is a fabulous area for us because there are great companies and sectors for us to work with.

We find there are many different industries and sweet spots geographically.

Will you touch on the challenge of security issues?

Sometimes we overreact because this isn't a new thing. For companies facing industry regulations, including next year's GDPR, we recently announced SDL Secure Translation Supply Chain, providing complete visibility, control and compliance across global translation supply chains, which reduces exposure to data breaches.

Are new players coming into this market?

The value chain is changing. We're still competing with the same folks we were 10 years ago, but there are new competitors who have come in from different parts of the value chain. Things will look radically different in five years as a result.

Is there a way to find a balance between the short-term pressure for quarterly results and making long-term investments?

If I try to serve every quarter, we won't get to where we need to be. Building a company that is going to be great for the next decade cannot be accomplished with a quarterly mentality. However, we have to find a balance.

Is a diverse workforce created with the hiring of the best talent or do you have to put metrics in place to address it?

Diversity comes naturally, but it has to be fostered and treasured. We have people in 35 countries, so when we're building our teams all over the world, we are already hiring culturally diverse teams.

Then we hire from multiple professions – from traditional software engineers to project managers, sales and marketing teams, and a significant population of linguists. We have a population of colleagues that is nearly half male and half female, and that manifests itself in the hierarchy.

We have more passports and accents per head than most companies, making our company a really interesting place to work.

How important is corporate responsibility and engagement to the company culture?

It's very important. SDL's Foundation works tirelessly to provide the helping hand disadvantaged communities need to build themselves a better tomorrow and we highly encourage our employees to get involved with their local charities.

As a CEO, are you more focused on strategy and vision or getting into the details of operations and sales?

Sometimes one needs to focus on strategy, sometimes one needs to micromanage a process, sometimes it's about salesmanship or about sitting with engineers to look at software stacks.

That said, one thing a CEO should do is provide clarity. It's hard to get everyone to understand what we're trying to do, why we're trying to do it and how we're going to do it, as well as how much money we're putting in and taking out, what we expect to get out of it, and who is accountable and responsible for what.

If there is anything above 50 percent clarity within the organization around these questions, one can have a good impact on the company. With confusion, a company will leak value.

Are you able to enjoy the process and is it important to celebrate the wins?

We have to be ambitious and, while being good is great, it's never good enough, so we always have to look for excellence. Even so, we have to celebrate every situation when someone has done something remarkable.

Personally, I have to feel, if not daily, at least weekly, that I've made a difference and had a positive impact. ●