

# TRAILBLAZERS TALK

Ravi Kumar S,  
President, Infosys,  
with Alan Trefler,  
Founder and CEO,  
Pegasystems

**Ravi Kumar** [00:00:12]

Hello everyone. My name is Ravi Kumar - President at Infosys. Welcome to this new chapter of Trailblazers. Today, I have a visionary leader - the founder and CEO of Pegasystems, Alan Trefler. Alan, an old friend of mine, is a technology change agent and innovative philanthropist, I call it, and a trusted advisor to business executives around the world. Alan's unique vision is about designing a platform for living applications that business people can evolve dynamically to a sentient environment to manage constant disruption and change in today's customer centric economy and that's how Alan built Pegasystems. Way back in 1983, he started this company and over the years, he's been on the cutting edge of innovation with Pegasystems. Alan's deep interest comes from his college days where he played chess and he used the game to pivot on how software development should be done. Alan has written a book called 'Build for Change' describing how customers have this unprecedented power to make or break brands in a digital world. Alan and his wife, Pam, established the Trefler Foundation in 1996 to improve educational outcomes. Thank you so much, Alan for joining in today for this conversation with us.

**Alan Trefler** [00:01:55]

Thank you, Ravi, it's a real pleasure. And we really appreciate our relationship together. It's terrific to see what we've been able to achieve.

**Ravi Kumar** [00:02:04]

Thank you, Alan. Thank you for the partnership. Let me first congratulate you for joining this elite group of companies that crossed a billion dollars of revenues. And ringing the bell at the Nasdaq this year, what was it like?

**Alan Trefler** [00:02:23]

That was fun, you know, it's interesting. On one hand it's just a number, on the other hand, we did really grind it out the organic way as opposed to just putting lots of businesses together. And I think we've built a really good culture to be able to work with our clients and our partners and achieve, well, great things going forward, too.

**Ravi Kumar** [00:02:46]

Alan, you know, you've been a technology purist in many ways. And you've stayed away from this massive M&A exercise which goes on in the tech world. And I've asked you this question many times 'how long?' and you always said, you know, I'm going to stay as long as I can. Tell us a little bit about, I know the one billion dollars is a rear view for you, tell us a little bit about where Pega is headed for.

**Alan Trefler**

Well, we're enormously excited, because in the last several years we've really aggressively pushed our pivot to an, as a service business ourselves. Our Pega cloud business grew greater than 50 percent for the last couple of years every year. And on top of that, our client cloud which is where clients themselves can run on the cloud of their choice is also growing terrifically. So, I feel we have a lot to add on that front. In terms of the functionality that's built into our technology, the idea of being model driven, the idea of being at a real sort of no-code way of implementing but doing it in a way that's both simple and sophisticated, I think provides really unique advantages for our customers. And our team now of over fifty-six hundred strong

people, I think is beautifully positioned to propel our clients to really take advantage of this model driven no-code approach.

### **Ravi Kumar**

In fact, Alan, you know, I think you are the original founder of low-code/no-code in many ways. You've been saying this for 30 years now. I actually now see this new wave of low-code/no-code platforms hitting the market and saying 'this is the next big thing' and you've been saying this for so many years. Tell us a little bit about how the transition from enterprise software to low-code/no-code will happen now more than ever before and how you're positioned so well because you always said you are a low-code/no-code platform.

### **Alan Trefler [00:04:48]**

Yeah. You know it's interesting because now lots of people have jumped on this bandwagon. We've had the opportunity to really think about it a long time and deliver a lot more to our clients and with our partners at a completely different level of sophistication. You know it's funny because a lot of people who are claiming low-code from my point of view are the next, well, they're just the next generation of Lotus Notes - simplistic ways to maybe put something together that's not going to rise to the challenge of meeting the sophistication of customers who are really trying to compete in hyper competitive markets. We've been able to bring our experience and our design thinking technology to be able to really accelerate the way that companies can apply technology and evolve technology. You know, that's where our tagline 'Build for Change' comes from. It's not enough to just build or throw things together, you need to have something sophisticated enough to let you continue changing and that requires build for change. So, I think we've got a terrific experience to build on and a terrific technology base.

### **Ravi Kumar**

And Alan, you know, coming to low-code/no-code, one of the things which is fascinating about it is as applied AI gets embraced in businesses, you need every user to be a power user, you need every user to be a producer of software rather than a consumer of software. How does that switch happen from a consumer to a producer? What are those constraints you believe has taken just a few small set of companies to say that, you know, visual model based coding, like what Pega does is so unique and that should be the way forward for enterprise software? I've not seen enterprise software companies say so, they're only doing it now. You've been seeing it for so long. What do you think are the constraints for large enterprises?

### **Alan Trefler [00:06:55]**

Well, I think that it's critical to recognize that most businesses are dimensional and so, you need to be able to have a model that enables you to incorporate things that are standard and then complement them with things that are specialized. The other thing that's absolutely critical that if you look at the so-called low-code market is you need to make sure that the business logic, think of that as the combination of the rules and elements of AI, that business logic cannot live in the channels. You see people coding business logic into the desktop or the web channel and that just is not the right way to do it. We have an approach we call 'Center Out', which enables

businesses to think differently about the business, it's not really the technology approach uniquely. It's really about saying, hey, we're going to define the micro journeys, we're going to use next best action AI capabilities to drive continuous conversations between customers and businesses to drive high velocity automation across different back ends and to do it in a way that makes it easy for organizations to do it reliably and to change.

**Ravi Kumar** [00:08:17]

And Alan, I know that you're a big fan of reskilling and building skills for the future and the Pega Academy is very unique in many ways, to creating specialized talent pools. How does the Pega Academy envision democratization of skills which is needed for applied AI to be scaled and industrialized in enterprises?

**Alan Trefler** [00:08:41]

You know one of the reasons I started Pega was that I thought, and remember this was in the 80s, that technology was overcomplicated. It was getting people to concentrate not on what was important to their businesses but on the technical minutia. What I'll tell you in the last 30 years, it's gotten worse. You know the cloud which we love is an enormously, well, fragile sometimes and complicated environment that requires an enormous amount of technical expertise. By using a model driven approach and by really having I think mastered the idea of building design thinking into our methodology, we're able to using our Pega Academy teach people who do not have very deep technical skills how to organize their thinking so that they can define what they want the outcomes to be and how they want them to vary. And then from that, our system literally writes the code. So, instead of humans programming we have business people defining and then the software can literally drive change. It's, I think, a novel concept.

**Ravi Kumar** [00:09:56]

And Alan, you know, that's so well said. This is very unique and very noble, I would say. Do you see the health crisis as some kind of an inflection point of consumption of technology and consumption of software - building connected products and connected services and more importantly driving these scale and industrialization of applied AI? Do you see that as an inflection point and accelerating digitization is going to happen as we get to the other side of the health crisis?

**Alan Trefler** [00:10:23]

Yeah, absolutely I believe that this crisis has just reinforced to organizations that they have to think differently about how they operate and how they apply technology. And what we talk about is how all organizations are realizing they need to become platforms, that everything that they sell, everything they offer a client is not going to be manufactured by them. And that you see in industries, like the automotive industry, people talking not about assets and cars but talking about offering mobility. In Telcos, you don't have people talking about building and selling handsets or selling even 5G, they're offering communications. They're offering a seamless service to their customers. That's going to require new generations of platforms. And I think that is perfectly aligned with the sort of platforms we can enable our customers and our partners to take advantage of.

**Ravi Kumar** [00:11:27]

Alan, thank you so much for that. You know, growing up in India I was very fascinated with the game of chess. It, kind of, curated my thinking process in many ways. You have a very unique background. You worked in an antique store and, you know, I'm told you were the 1975 Co-Champion for the World Chess Championships. How much of those early experiences kind of shaped your thinking for what made Pega such a pioneering effort from you?

**Alan Trefler** [00:11:58]

Well look, when I was growing up, I worked with my father in the family business which is actually an antique and collectible restoration business. Amazingly, this year it's 100 years old. My father came over after World War II and having survived the war in Europe, established the family business here in the United States. And you know it's a very difficult hands-on business but it taught me a lot about the appreciation of doing things of high quality and also engaging with customers. When I was a sophomore in college and I tied for first in the World Open, which was a shocking upset to everyone, it actually was my real introduction to computers and teaching computers to play chess, which exposed me to a lot of thinking about how do you model the way that a chess master evaluates positions. Today, we do chess computing quite a bit differently but, in that era, we really wanted to try to see how a master thinks, evaluates and plans and we built some technology that ran pretty well. But what I love, you know, chess is great as a game but what I really love is working with customers and working hard with my team to build a great and sustaining business. And that's something that excites us every day.

**Ravi Kumar** [00:13:30]

Thank you, Alan. Thank you for that inspirational story. Thank you so much for building such a unique software platform for the world to consume, for the enterprises across the world to be uniquely sentient using Pega. Thank you for your partnership and I look forward to working with you. You are a tech visionary, tech change agent as I call it. And, you've always been different to everybody else I've actually met in the big tech way. So, thank you for being so different and so unique in your own way.

**Alan Trefler** [00:14:03]

Well, thank you Ravi. We appreciate the partnership. We appreciate you having thousands of trained and certified Pega experts yourself and we look forward to working with you to do what's best for our joint clients. Thank you very much.

**Ravi Kumar** [00:14:18]

Thank you for our discussion today. Thank you so much.