



NAHR CHRO Academy: Role of the CHRO

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CHRO ROLE: EVOLVING DYNAMICS



**SO, A FEW OF
US GOT
TOGETHER ...**

MODEL OF A WORLD-CLASS CHRO 1.0



WE THINK
THIS MODEL IS

DIFFERENT...

**FREE
WARE**

NOBLE INTENT

We are trying to create a movement



EXPERT INPUT

CHROs from different industries, geographies



NO ECHO CHAMBER

Built with extensive CEO input

Gartner

SUPPORTED BY RESEARCH

CEB (now Gartner)



YOU MUST DEVELOP A STRONG HR FUNCTION

**FUNCTIONAL
BUSINESS
LEADER**



- Work hard to attract and develop a strong HR team
- You will be surprised about how you are actually spending your time
- Invest heavily in the upskilling of your HR teams
- Create a brand for your HR teams, internally and externally

A very strong HR Team is the very foundation for your personal effectiveness as a CHRO. Ignore this at your peril!

DOMAIN EXPERTISE MATTERS

WHERE YOUR CEO EXPECTS FACT-BASED ANSWERS

EXECUTIVE COMPENSATION

- What are the ideal metrics to link the strategy of a company to the long-term incentive compensation design?
- What weighting should be attached to the long-term, strategic goals of the CEO, relative to the annual goals?

HUMAN CAPITAL INFRASTRUCTURE

- What are the financial implications of moving from an on premises HCM system to a cloud-based HCM system?
- What is the business case for insourcing (or outsourcing) talent acquisition?

BENEFITS

- What is the acceptable amount of cost sharing to do with employees, relative to our competitors, and taking into account our profit pressures?
- What (if any) are the financial benefits of on-site medical clinics in our high employee locations?

A Better Seat at **THE BOARD TABLE**

BOARD'S LEADER OF HUMAN CAPITAL

- Major focus on critical role succession, especially in the C-Suite
- Aligning compensation and rewards with shareholder interests is rapidly becoming more complex in age of ESG and/or activism

External trends are having a major effect on most public companies today. Expect this to continue/intensify.

HR Provides **THE TALENT “FUEL”** to the Business Rocket

CREATOR OF TALENT STRATEGY



- Strategies to acquire, develop and manage talent, especially those in critical roles
- Employee Value Proposition ... developing and extending your company’s employment brand that is credible internally and externally

**The “Great Resignation” is just the latest chapter in the evolving talent landscape... replacing trends like “gig economy”.
You will lead these “Future of Work” strategies.**

CHANGE LEADERSHIP

One of Least Understood and Appreciated
Role of Great HR

ENTERPRISE CHANGE LEADER



- All companies are facing rapid change ... winners will be those who can change quickly and sustainably
- Leading Change ... and teaching your organization how to lead and sustain constant change ... is a pressing need

As a CHRO, you will finally figure out what your high school physics teach was trying to teach you about “inertia”. Thanks, Dan Doman!

CEO Owns Culture...

GREAT CHROs NAVIGATE

DRIVER OF CULTURE AND PURPOSE



- Today's organization needs to be clearer than ever on its Purpose, Vision or Mission
- CEO owns the Purpose and the Culture ... HR should be the primary collaborator
- Do you understand and appreciate the power of the culture "levers" you own as CHRO?

**My definition of Culture: What leaders do, not what they say.
when their boss isn't watching.**

Especially

To Influence or Contribute to Strategy Discussions Requires a Substantial Amount **OF COURAGE**

SERVICE

- Starting point ...
- Priorities are business driven
- Half sense of urgency
- Punch lists / tactical
- Rewarded if done

COURAGE

LEADERSHIP

- Point of arrival
- At / in front of the business
- Urgent and essential
- Much higher risks
- More substantial rewards well

COURAGE IS THE BRIDGE BETWEEN SERVICE & LEADERSHIP

Often an Outcome of **NAILING THE OTHER PILLARS ...**

TRUSTED ADVISOR AND COACH

- To be “the last one in the room” with the CEO or Business Leader is the ultimate expression of being a trusted advisor
- With experience, you’ll come to watch the downside of too close of a connection to the CEO

Resist...with everything you have...the temptation to become a politician or a cheerleader. When you “sell out” ...you won’t get a second chance.

Why do many CHROs STRUGGLE?

UNCLEAR CEOS

- Most CEOs don't really know what they want from the role ... or what success looks like for their CHRO.
- This model represents a **major opportunity** to (re)contract with the CEO around expectations and a definition of partnership.

ROLE CLARITY LACKING

- Many CHROs, and almost all new CHROs, cannot articulate what success looks like.
- Average CHROs describe what they do, **not what they plan to achieve**. They play more defense and very little offense.

VAGUE SENSE OF PURPOSE

- Struggling CHROs have not created a Purpose for themselves.
- This is like playing a game without knowing how to keep score.

PLAYING NOT TO LOSE

- Today's CHRO role requires copious amounts of Courage.
- Are you ready, willing and able to speak truth to power, when so few others around the table are?

GETTING READY FOR YOUR SOLO ...

MODEL

Understand the World Class CHRO Model

- This is your North Star. Mind your gaps.

ACUMEN

Improve Your Business Acumen

- Understand your income statement. Know how your BU makes money. Master the business case Connect HR work to P&L.

STRATEGY

Participate in BU Strategic Plan Development

- Remember, strategy is not wizardry. Strategy is about making a choice and modeling consequences.

PURPOSE

Become Purpose Driven

- What is your purpose in your current role? Most important phrase: “I will ...”

COURAGE

Lead with Courage

- Courage flows from your purpose, but you must believe you are fighting for something bigger than you, and not attained without substantial risk.



SECRET

THE CHRO IS THE SECOND BEST
JOB IN A COMPANY

You can shape the destiny of a company: its culture, people and purpose.

You can own the intersection between strategy, culture and talent.

Other than the CEO, who can have this type of impact?



Q&A

