

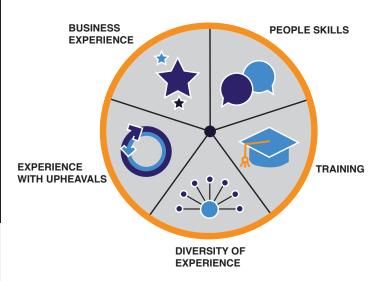
Traits and Characteristics of a Successful CHRO

Chief Human Resource Officers (CHRO) are serving in critical roles and can be instrumental in helping to shape the current and future growth of their companies. Our members had an opportunity to have candid conversations with a variety of global human resource leaders about the CHRO role and what it takes to be successful. We believe their insights are helpful and provide an interesting perspective on the challenging life of a CHRO.

THE BACKGROUND AND EXPERIENCE OF THE SUCCESSFUL CHRO

As a fundamental for human resource management, most all those professionals interviewed indicated that "people skills" were critical to their success. Mary Dickerson, Executive Vice President of Human Resources for De Lage Landen Financial Services, noted that "employees will know if you care about them and whether it is genuine or not," adding that the "ability to project empathy can go a long way with employees at all levels." "You need to be human" and "to be focused on people," states Zornitza Iankova," People Relations and Compliance Cluster Lead for the European Economic Area at Hewlett Packard.





Our interviewees, however, cited solid business experience as at least as important as intuitive human interaction skills as a factor in their success. The scale of such experience was noted in several instances. According to Sean Harding, CHRO at Caliber Home Loans: "I think it's the breadth of experiences. It's everything from startup experiences to more refined processes that you do in larger companies. To me, it's about the breadth of experiences more than it is about being deep in any particular area for a lot of years. And that also transcends the business lines and industries."

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 Mary Dickerson, Executive Vice President of Human Resources, De Lage Landen Financial Services

Sha Farley, the CHRO of Young Life, further notes the importance of the diversity of experience in her own success: "I didn't grow up from an HR perspective in one discipline. I don't have a strict comp background or strict benefits or strict generalist [background]. I've worked all over the space of HR, probably with the exception of executive compensation. But the diverse slate of experiences both domestically and internationally have really prepared me for this role."

Whatever their experience or skills, most all of the human resource executives interviewed also mentioned an understanding of their individual business model as yet another important component of their success. Viara Stoyanova, a Regional HR Services Director for Emerging Mar-















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—Viara Stoyanova, Regional HR Services Director for Emerging Markets & Managing Director at GfK

kets & Managing Director at GfK, cited her "very strong business acumen": "The ability to speak the same language as the business and ability to translate the business knowledge into common goals. The business and HR go hand in hand. We are jointly responsible. I have always strived to see the big picture and connect the dots."

Alok Jha, CHRO of Datamatics Global Services, also cited "business acumen" in his success, which he described as "staying aligned with the business" and being able to "understand the business and how it operates." "Business acumen" was also mentioned by Suman Gopalan, CHRO of Freshworks, who similarly defined this as "being able to ground oneself in the business and understanding the business that one is supporting and language the business speaks." Debrashree Lad, the Global Director of Human Capital at CredAble, stressed the importance of "building a strong knowledge base of the organization and its processes." The importance of alignment with one's business in terms of its goals and operations seemed a common thread among the CHROs interviewed.

The importance of training was also mentioned by some human resource executives. States Rhonda MacAndrew, a Senior Vice President at Greyhound Lines: "I would say the experience that has made me successful in my role was starting my HR career in a training position. That gave me the opportunity to get out in the organization and get to learn all facets of the business and how they interconnect. It gave me the chance to learn what obstacles existed and to try to break those down. I also spent time in a variety of different businesses: manufacturing, banking, consumer products, service, etc."

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As an HR person, I was so lucky to be part of big transformational processes like mergers, acquisitions, splits, cultural change initiatives, major reorganizations in different markets, geographies that stretched my capabilities and broadened by perspective.

—Senem Birim, Executive Human Resources and Communication Director at Takeda

Having experienced profound economic or organizational upheavals was also cited by executives as having impacted their professional development. Rada Yosifova, CHRO of the Raiffeisen Bank of Bulgaria, mentioned the "transformation of the organization and the HR function itself to be able to overcome the consequences of the economic crisis in 2007-2008." For Vanessa Iloste, Vice President of Human Resources at Sephora, a merger in China in which operations were integrated over an 18 month period was a professional milestone, one which led to exposure to 17 different brands within the organization's holding company. Adds Senem Birim, Executive Human Resources and Communication Director at Takeda: "As an HR person, I was so lucky to be part of big transformational processes like mergers, acquisitions, splits, cultural change initiatives, major reorganizations in different markets, geographies that stretched my capabilities and broadened by perspective. I had the chance to work with great leaders and colleagues and I always found a "meaning/purpose" which served as an engine in my journey. This encouraged me to add value to the organization and society I am working for."

For some of the CHROs interviewed, success could be attributed to individual challenges. Cam Hicks, Vice President of Global Human Resources and Employee Communications at Teleflex, mentioned that he experienced a "global relocation for me and my family and gained insights into the complex process." Jackie Markhoul-Winn, CHRO at Crédit Agricole CIB, cited her "emotional resilience" and "high level of adjustment in the face of job stress and pressure."













Overall, considering that the CHROs interviewed represented executive functions on several continents, what is striking is the similarity, rather than the differences in the criteria cited in their professional success. This stresses both the globalization of the world's economy as well as the underlying similarities among what would appear disparate cultures.

THE MOST PRESSING CHALLENGES FOR THE TWENTY FIRST CENTURY CHRO

Among those challenges facing the contemporary CHRO, "the ability to bring the right quality of talent in a highly competitive market," as Arun Paul, CHRO of Incedo characterized it, was the most cited. This problem was closely related to relatively low historical rates of unemployment both in the United States and abroad. States Sha Farley: "With unemployment being as low as it is, it is really hard to fill jobs right now. It is the "war for talent." It is increasingly hard to find the right kind of talent for roles, it's hard finding people who've worked both a diverse slate of experiences and in big companies, because I value that."

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—Sha Farley, Chief Human Resources Officer at Young Life



Many CHROs mentioned the problem of finding those possessing the technical skills so highly valued in the Information Age. Alok Jha, CHRO of Datamatics Global Services, states that this is particularly a challenge "when being part of a technology firm, since quality talent is scarce in this industry with technology continuously

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—Cam Hicks, Vice President, Global Human Resources and Employee Communications, Teleflex

evolving." Rhonda MacAndrew notes that "the employees in these positions are also millennials and what empowers them is a very different work environment." Cam Hicks elaborates: "The next generation of talent have different career expectations and think in 18-24 month increments. This group of employees will put pressure on companies to provide them with ongoing professional development to keep them engaged and satisfied. They will keep us on our toes!"

Some HR professionals mentioned distinct challenges related to the economic or political environment in which they operated. States Senem Birim: "As an HR professional in Emerging Markets I do not remember a day without a challenge since the markets [in which] we operate are hard to predict and highly volatile. Any given morning, you can wake up to a different world where the currency devaluated by 40% in one night, which then dramatically changes the context and dynamics, inside and outside of the company. I had many examples which are as severe as this one."







Challenges related to political and economic disruption were not limited to CHROs in developing countries. Notes Jackie Markhoul-Winn: I think the challenges facing a CHRO at the present time are individual challenges that depend on the region. For example, for my colleagues in London, the biggest challenge currently is Brexit, while in the UAE we probably have the nationalization plan as one of our challenges within the HR community.













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—Jackie Markhoul-Winn, Head of Human Resources
 Crédit Agricole CIB

Anne Shiels, a former CHRO and now an HR consulting professional in the United Kingdom, also noted the challenges of Brexit which has created an "uncertain macroeconomic climate leading to business hesitancy." And from the United States, Sha Farley adds this: "...the political climate in the U.S. is having an impact on the work environment. So it's pick a team. "I'm a Republican," "I'm a Democrat," That is playing itself out at work in very subtle fashions. That inclusion space is very challenging right now. I'm seeing an America that is more divided and hence it is harder for us to play in the sandbox as well. Even with our international peers, counterparts, and teammates."

Maintaining employee engagement was another challenge cited by a number of CHROs. States Elsie Chan, CHRO of Caben: "The careless working attitude of the team members and the engagement of the workforce are big challenges we are facing." Sean Harding elaborates: "I'm worried about engagement productivity, because I think people are nervous and looking over their shoulder. I think HR really

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[It's important] finding ways to continuously inspire and motivate others to keep pushing when the challenges and pressures just keep getting harder, whilst at the same time keeping this balanced and looking out for people, not letting them get too worn out or stressed in the midst of it all.

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—Nicola Hale, a former CHRO of Carlsberg UK

has an active role to play in the talent process, the engagement process, and in creating a good feedback process. I think it's bittersweet because HR is going to have a significant role to play, but it's also going to be a challenge."

Nicola Hale, a former CHRO of Carlsberg UK, also notes the importance of "finding ways to continuously inspire and motivate others to keep pushing when the challenges and pressures just keep getting harder, whilst at the same time keeping this balanced and looking out for people, not letting them get too worn out or stressed in the midst of it all." "It's very easy for leaders to lose a sense of perspective," she adds.



Among other challenges, Mike Winstone, Group Human Resources Director of VPS Group, noted a "better understanding of social media." Rada Yosifova mentioned the challenge of "digital transformation as a response to the changing business, economic, and social environment," noting the need to "prepare and support the organization to take the next step in its development and become an adaptive, dynamic, and learning ecosystem." Jessica Lang, a CHRO at Hony Capital, noted the "selection and employment of core executives" as a specific challenge in her organization. And Arun Paul noted "external changes beyond control," commenting that in the U.S. the "whole visa situation has created disruption in how business operating models work."

It must be noted, again, that whereas the CHROs interviewed in this study represented organizations operating in different countries and on different continents, most of the challenges they were experiencing were shared ones. This is a further indication of how globalization has influenced the character of human resource management.







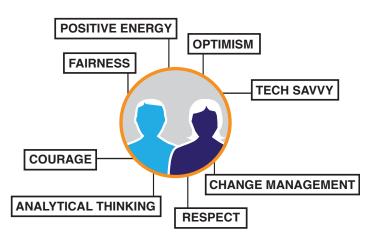






THE CHARACTERISTICS OF THE IDEAL CHRO IN FUTURE BUSINESS MODELS

When asked what characteristics or traits would be critical for a CHRO to meet an organization's future needs, responses varied widely, no doubt reflecting the specific needs of the organization in question as well as the background of the individual CHRO. Resiliency, adaptability, and agility were some of the professional attributes mentioned as desirable. Suman Gopalan said the ideal CHRO would be "tech savvy," while Jackie Markhoul-Winn noted the importance of "having an upbeat and 'can do' attitude concerning situations, people, prospects and the future, even when faced with difficulty and adversity." In a similar vein, Mary Dickerson commented that "having optimism and positive energy is also paramount to drive the business forward. That attitude carries a vision and strategy so all employees see an optimistic future." And Senem Birim remarked: "In any situation, we need to be mindful about the way we treat our people. Fundamentals like fairness, respect, and care need to be in place always, today and tomorrow."



The need for change with respect to the role of the CHRO was cited by a number of the professionals interviewed. This need was particularly eloquently described by Viara Stoyanova: "...local focus does not work anymore. The CHRO needs to possess strong change management skills and analytical thinking, together with an expressed business acumen and project management [expertise]. We all need to adopt a consultancy approach and combine it with our hands-on experience. The CHRO needs to stay tuned with the key stakeholders and hear well their business needs so that to transform the HR function following the dynamic of the business. Our task is to learn the processes in HR which enable the business to grow faster and better. HR needs to make more free space for the managers to do their core job and spend time with the people, not being stuck in operational work. We have to realize and change the HR mindset. HR is not a support, but an enabling function. We are driving the change and take decisions together with the business."



Sean Harding put the argument for change more forcefully: "Change management, change management, change management... It's a cliché term, but I think leaders are going to have to really adapt to the changing environments, the changing talent pools, and the changing kind of requirements to be successful. It's just a different landscape than we've ever had. The HR person needs to be able to help leaders in that transformation."

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—Sean Harding, Chief Human Resources Officer, Caliber Home Loans

Rada Yosifova felt that the CHRO's role could no longer be viewed as an administrative one, but rather as part of the business model per se: "HR shall step out of the supporting, enabling, back office and whatsoever administrative inside role that was relevant before but not anymore. HR shall focus on providing value for customers and not only for the management as it was before. This will require a new mindset and a holistic view on the organization and its main objectives. To be adequate to the new reality HR shall possess a few critical traits or competencies: strategic view; ability to focus on one or a few main objectives and ability to prioritize; ability to analyze based on relevant data and make fast decisions; and ability to adapt fast and change the course if













needed. And the most important: HR needs to focus on people and not so much on processes and measurement as it was before, which was the purpose to establish the HR function in all organizations in the first place. But somehow this was forgotten.

And Nicola Hale noted that: "...HRDs and their teams need to move with the times and ensure that senior leaders do too, whether that's through social interactions, levels of transparency, killing off antiquated longstanding HR practices, or recognizing that their mindsets are way out of kilter. The world has moved on and keeps changing fast. HR needs to do more than catch up, but to step up and lead the evolution."

Courage was cited as a necessary CHRO trait by Cam Hicks, who states: "CHROs need to have courage. There will be many issues that need to be raised with the CEO and the Board. It is important to build enough credibility by building strong relationships and then pick your battles at the right time." In a novel insight, Mary Dickerson felt that the CHRO should be viewed as a marketing force: "Marketing is the key differentiator for our company. The CHRO needs to serve as the Chief Marketing Officer of the company to ensure it is viewed by

others as a great place to work. We have high engagement scores and low employee turnover, but we are not well known in the market or communities."

Upon reflection, Sha Farley noted in the interview that, "If I could do it all over again and if I could give advice to my younger self, it would be to take a different role for a while." Expounding on this philosophy, she states: "I feel like CHROs can help CEOs and COOs and CFOs be better in their role if they just walked a year or two years in their shoes. Just understanding whatever the business is, how the money comes, how the money goes, and how the money flows."

Reviewing all of the comments by the various human resource professionals questioned, it is impressive how illuminating they are as well as by how different they are. It is interesting, however, that while the interviewees represent organizations across the world and in both what are termed "developed" and "developing" countries, all of their insights were progressive. In fact, if the participants in this study had not indicated where they worked, it would be difficult if not impossible for a reader to determine that. This undoubtedly can be attributed to the globalization of business, and of the human resource function in particular, a by-product of the digital age.















Sally StetsonCo-Founder & Principal Salveson Stetson Group Philadelphia

Human Resources Practice Leader

Participants

Interviewed by Salveson Stetson Group:

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Executive Vice President, Human Resources
De Lage Landen Financial Services (DLL)

Cam Hicks

Vice President, Global Human Resources and Employee Communications

Teleflex

Interviewed by Pearson Partners International:

Sha Farley

Chief Human Resources Officer

Young Life

Sean Harding

Chief Human Resources Officer

Caliber Home Loans

Rhonda MacAndrew

Senior Vice President and Chief Human Resources

Officer

Greyhound Lines

Interviewed by Athena Executive Search & Consulting:

Arun Paul

Head of Human Resources

Incedo Inc.

Alok Jha

Executive Vice President and Chief Human Resources

Officer

Datamatics Global Services Ltd.

Suman Gopalan

Chief Human Resources Officer

Freshworks

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Rada Yosifova

Head of Human Resources

Raiffeisen Bank Bulgaria









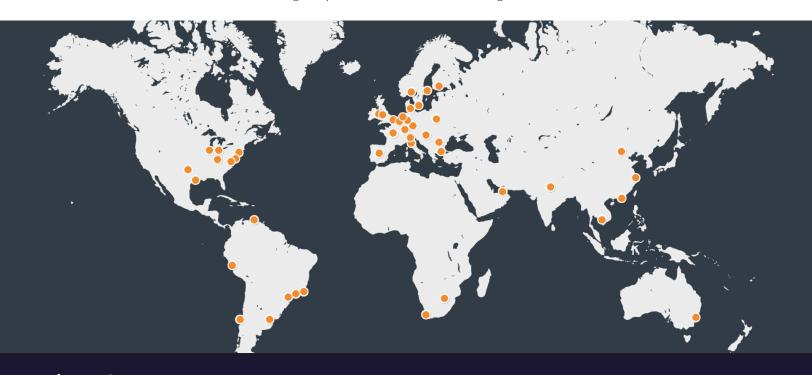






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