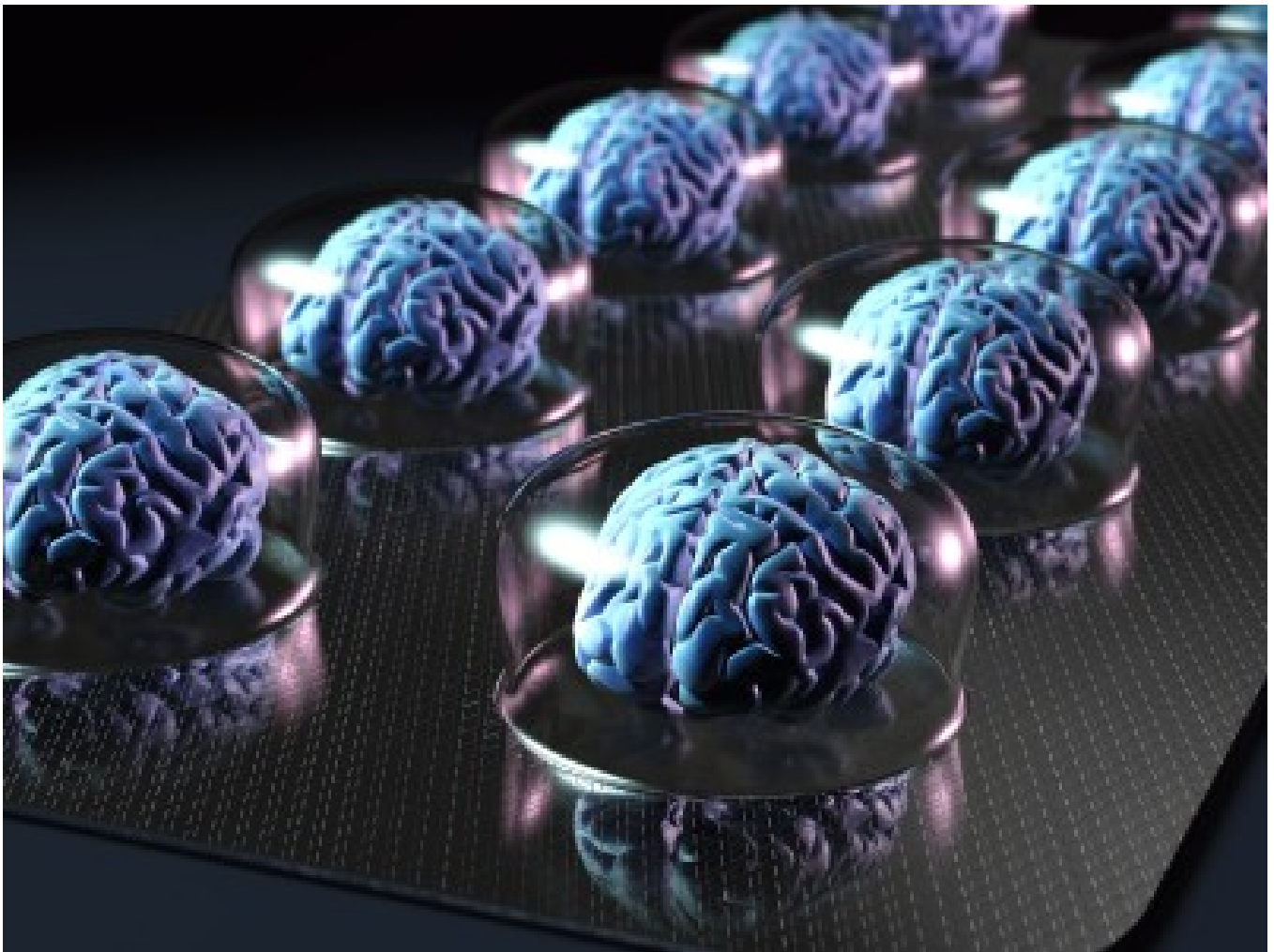


AUGUST 2012

3 Highly Desirable Traits for Today's Chief Human Resources Officer

John Doyle

EXECUTIVE VICE PRESIDENT



CEOs and board members task the Chief Human Resources Officer (CHRO) with attracting, recruiting and retaining talent – arguably some of the most important functions within the organization.

As executive search consultants, we witness the difficulties that companies face in attracting the right person for the top HR role. Many companies are finding that their own HR talent pools are thin and not well prepared for the demands of the role, making it difficult to put ‘their own’ in the CHRO seat. In the old days, it wasn’t uncommon for a CEO to tap a long-tenured executive to fill in as an HR administrator. Over the past 15 years, more and more CEO’s have looked outside their organizations to hire best-in-class HR executives from ‘academy’ companies such as GE and Pepsi. Many of these CEO’s were not prepared for this new breed of HR talent and in some cases, experienced ‘organ rejection.’ It’s become increasingly difficult to find quality CHROs who can handle today’s unique needs in talent management, succession planning, compensation, and more. The difference between a candidate who can run the functions of HR and a candidate who can lead and enact change within an organization can be boiled down to three traits.

1. Courage to Fight the HR Battle in the Boardroom

More than 50 percent of CHROs surveyed by Cornell University said they felt least prepared when dealing with the board of directors. CHROs fulfill a unique role, acting a liaison between board members, CEOs, other HR leaders and the organization as a whole. Qualified candidates for this role are gifted communicators. It’s imperative that CHROs have the courage to stand up to CEOs and the Board. Courage is the key differentiator between a capable CHRO and a CHRO who truly ‘gets it.’ To be a successful internal adviser to the CEO and the board, HR leaders should have a credible reputation. “The ability to exert influence is always important in leadership, but it is even more critical in structures with multiple dotted-line reporting relationships” (according to a Deloitte research paper on the CHRO role). The best people are able to find that balance between acting with conviction and maneuvering within the political landscape.

2. Business Acumen to Develop the Best Talent Strategies

Since 45 percent of CHROs spend time with senior business executives, it simply follows that they should have strong business and financial acumen. CHRO candidates do not necessarily require deep industry knowledge, but should have a solid foundation in all business facets - sales, marketing, operations, or finance. This knowledge and experience will help them deliver sound talent management strategies in their new roles. Although many CHRO’s have advanced degrees in labor, industrial relations, or I/O psych from well regarded schools, CEO’s often place more value on an MBA. There

have been recent efforts to create HR certification programs but these are woefully lacking in comparison to other professional credentials (i.e. CPA's, FSA's, JD's, CFA's, etc.).

3. **Global Experience to Manage a Global, Diverse Workforce**

HR execs should seek to gain global work experience because it will help them manage [an increasingly diverse workforce](#). If you're wondering how this impacts the workforce, then consider how diversity initiatives can lower employee turnover, boost employee morale, foster engagement, improve the company's brand image, and positively impact the bottom line. In many cases, it's not enough to just have global experience. Hiring committees are looking for HR executives who lived and worked overseas for a period of time. There's a major opportunity for HR practitioners to capitalize on globalized [collective intelligence](#). As global enterprises prepare future leaders and managers in new economies, it's essential to share the best HR practices across borders. IBM conducted a study and interviewed 600 senior global HR leaders, confirming the sentiment. Making the most of collective intelligence starts with tapping into a broad range of institutional knowledge.

Finding an HR leader with all three of these traits to lead in today's business environment can be a tall task. Candidates will always need to have proven experience around talent development, recruiting, policy setting, and other HR functions. The 'A Players' will likely possess all three of the traits listed above. The others will be left behind or relegated to an old-school HR administrative role.

If you find yourself in need of a business-oriented, global HR executive you should consider engaging an experienced search partner. Unlike in the past, you just can't go to 'best-practice' academy companies. Very few exist today. Rather, you must identify 'best-practice' HR executives who have moved into other, not so obvious organizations/industries and have built great HR talent around them.