

The Role of the CHRO

Achieving Sustained Stakeholder Value Creation

Draft deck

Thought Leadership



2010



2014



2017



2019



2023

The Trouble with CMOs



The Growth Study

750+ QUAL

3,500+ AI analysis
(growth publications)

5,000+ QUANT
(across markets and functions)

3M+ LinkedIn
members behavioral analysis



Overperformers vs.
Underperformers

A photograph of a horse race in progress. Several horses and jockeys are competing on a grass track. In the foreground, a dark horse with a blue saddle cloth featuring the number '2' is prominent. A jockey in a yellow and red silks is leaning forward. In the background, there are green hills and a cloudy sky. A white fence separates the track from the spectators.

Everyone focuses on top-line growth

93

98

#1 GROWTH AMBITION
Top-line revenue



More underperformers
focus on the bottom line

130

85

#1 GROWTH AMBITION
Bottom-line



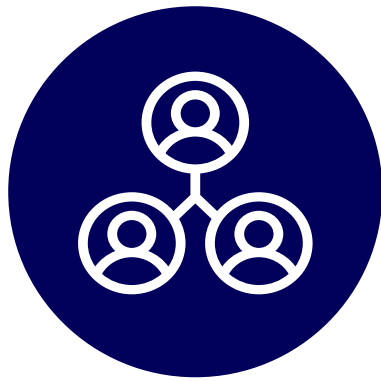
More overperformers
focus on people

76

120

#1 GROWTH AMBITION
Impact on people

Humanized Growth



Colleagues



Customers



Community



Capital Markets

Building Blocks of Overperformance

HUMANIZED GROWTH

EVOLVING
EXPERIENCES

WHOLE BRAIN

MULTIPLE
MODELS

ANTICIPATIVE
ORGANIZATIO
N

ABUNDANT
MARKETS

OPEN CULTURE

Fast forward 4 years

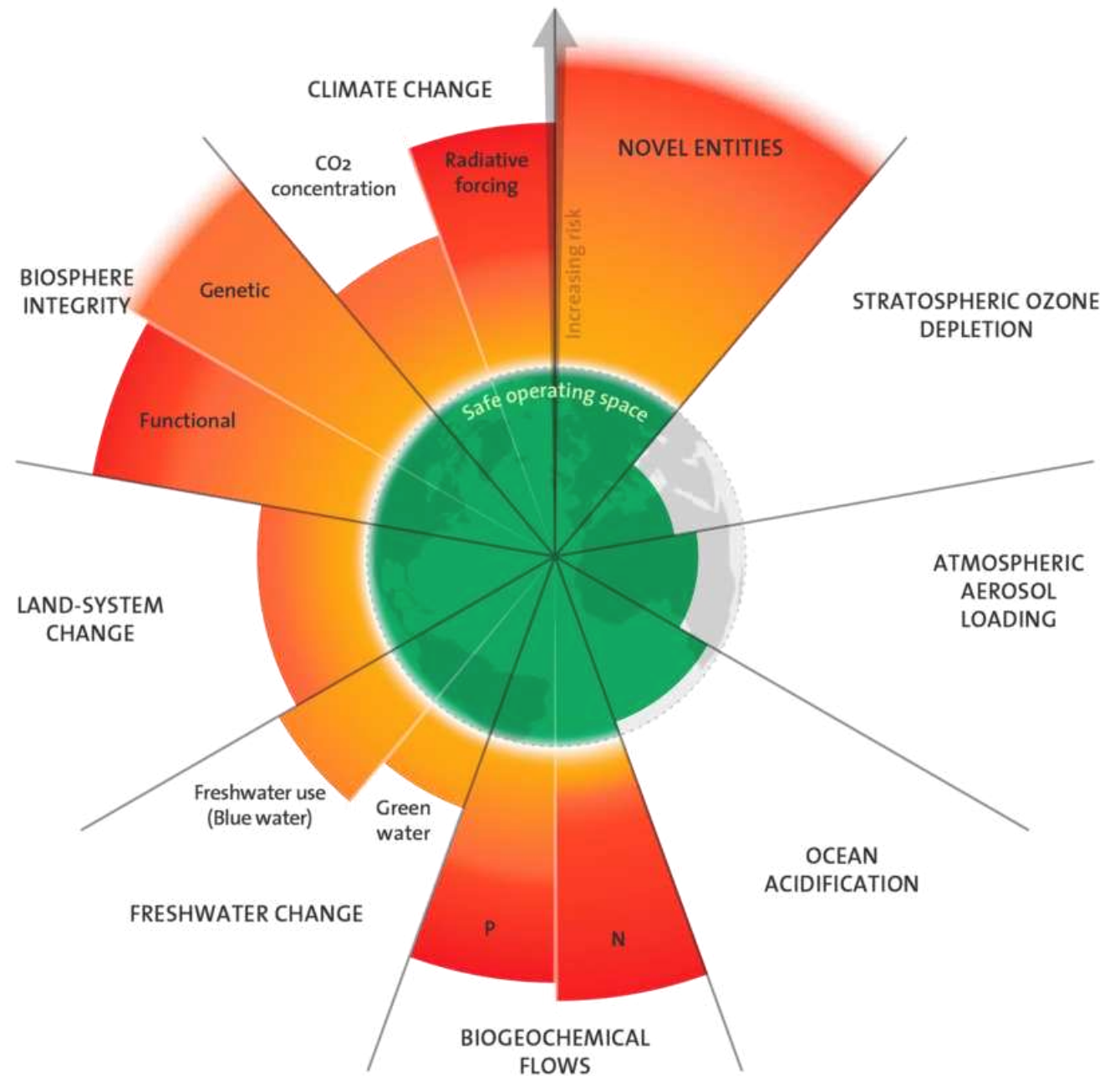
COVID



Inflation



Planetary boundaries



Colleagues



Customers



Community



Capital Markets



**NELSON
PELTZ**

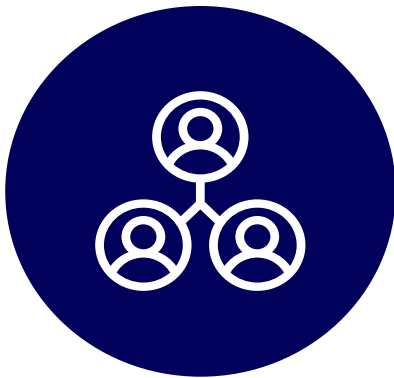
TRIAN FUND MANAGEMENT
FOUNDER & CEO

**SQUAWK ON
THE STREET**

SOAP OPERA AT UNILEVER
PELTZ NAMED TO CO'S. BOARD



Louder, More Demanding, And More Powerful



Colleagues



Customers



Community



Capital Markets

Accusations of doing too little ...





... or
too much

Accused of greenwashing...

EUROPE'S
LOWEST EMISSIONS,
LOWEST FARE
AIRLINE

NEED HELP
TALKING TO DAD
ABOUT MILK?

DECATHLON

€500⁰⁰

100%
CYCLED



Innocent drinks ads banned over environmental claim

23 February 2022

Lifestyle > Food and Drink

Quorn advert that claimed...

It also said that...

Met windparken op zee
en bijna 300.000 zonnepanelen

Wij veranderen. We willen. We moeten. We doen het.
We veranderen in één van de grootste aanjagers van de
energietransitie in Nederland.

VERANDER MEE

Shell
ENERGY

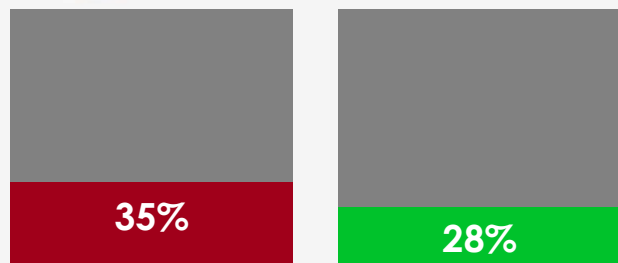
Shell rept voortaan van CO₂-
compensatie in plaats van
CO₂-neutraal

SHELL REPT
VOORTAAN VAN
ISATIE
AN
AL

Reclame Code
niet langer
CO₂-neutraal in
t compenseren
rft gehoor aan
neutraal in deze
impensatie.



Keeping a low profile



Limited by fear of being accused of greenwashing or wokeness

How?

*From shareholder primacy
to value creation for all stakeholders*

2023

The Impact Study



**How to implement
Humanized Growth effectively?**

And what is your role in that?

The Role of the CHRO



The reality of HR...

COVID aftermath...



Transparency

glassdoor®

Glassdoor Ratings and Trends

Overall  4.6

Culture & Values  4.6

Work/Life Balance  4.4

Senior Management  4.5

Comp & Benefits  4.4

Career Opportunities  4.3

 94% Recommend to a friend

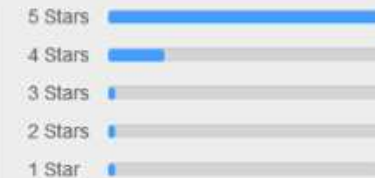
 98% CEO Approval

 91% Positive Business Outlook

Overall Trend



Overall Distribution



Reskilling Revolution

WORLD
ECONOMIC
FORUM



IMPACT FUTURE OF WORK

Reskilling Revolution: Preparing 1 billion people for tomorrow's economy



Organization as lifeform is end-of-lifecycle

Find the right *freelance*
service, right away

Search for any service...



Popular:

Website Design

WordPress

Logo Design

AI Services



Scarlett
Business Founde

A close-up photograph of a hand moving a white chess king piece on a chessboard. The background is blurred, showing other chess pieces and a person's face in the distance.

The opportunity:

68%

“CHROs should play
a key role in shaping
corporate strategy”



Need for a Practical Roadmap



Your ambition?

CREATOR

LEADER

COLLABORATOR

CHALLENGER

SUPPORTER

Study Partners



Saïd
Business
School



KENNEDYFITCH



GLOBAL
CME GROWTH
COUNCIL



Yale Program on Stakeholder Innovation
and Management

SpencerStuart



WARC



MINDSHARE

THE B TEAM ▶



450+ Vision Interviews

Ed Freeman



Patrica Nzolantino



Mark Kramer



Jeremy Grantham





Dirk van de Put
CEO Mondelez



Diane Gherson
CHRO IBM



Cynthia Chu
CFO Audible



Christopher Williams
Enda Athletic, Inc



**750+ QUANT
Online Survey**



**120K Social AI
Hypertrend Study**



**Board and
5 C-Suite Functions**



**52 Markets
7 Country deep-dives**

SHRM Research



SHRM Benchmarking Reports



Organizational and Employee Resilience
Research Report



2022-2023 SHRM State of the Workplace



DEI Metrics Research 2021



Strengthening Workplace Culture: A Tool for
Retaining and Empowering Employees
Globally



Unlocking the Full Potential of Financial
Wellness Benefits

Consumerized, Personalized and individualized

Tomorrow's Re-humanized HR



Overperformers vs.
Underperformers

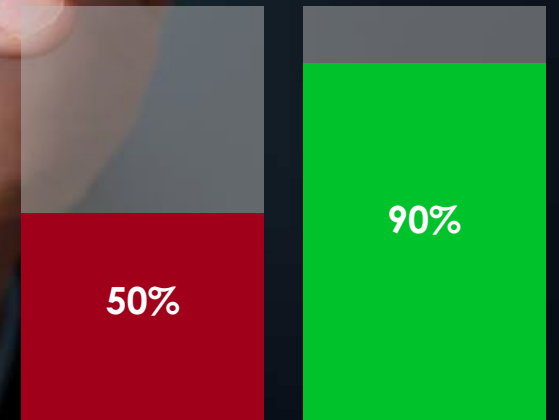
Revenue Growth & Stakeholder Value Creation Correlation

Topline Revenue Growth vs.
direct competitors over the
last 3 years



Value Creation As Opportunity

opportunity

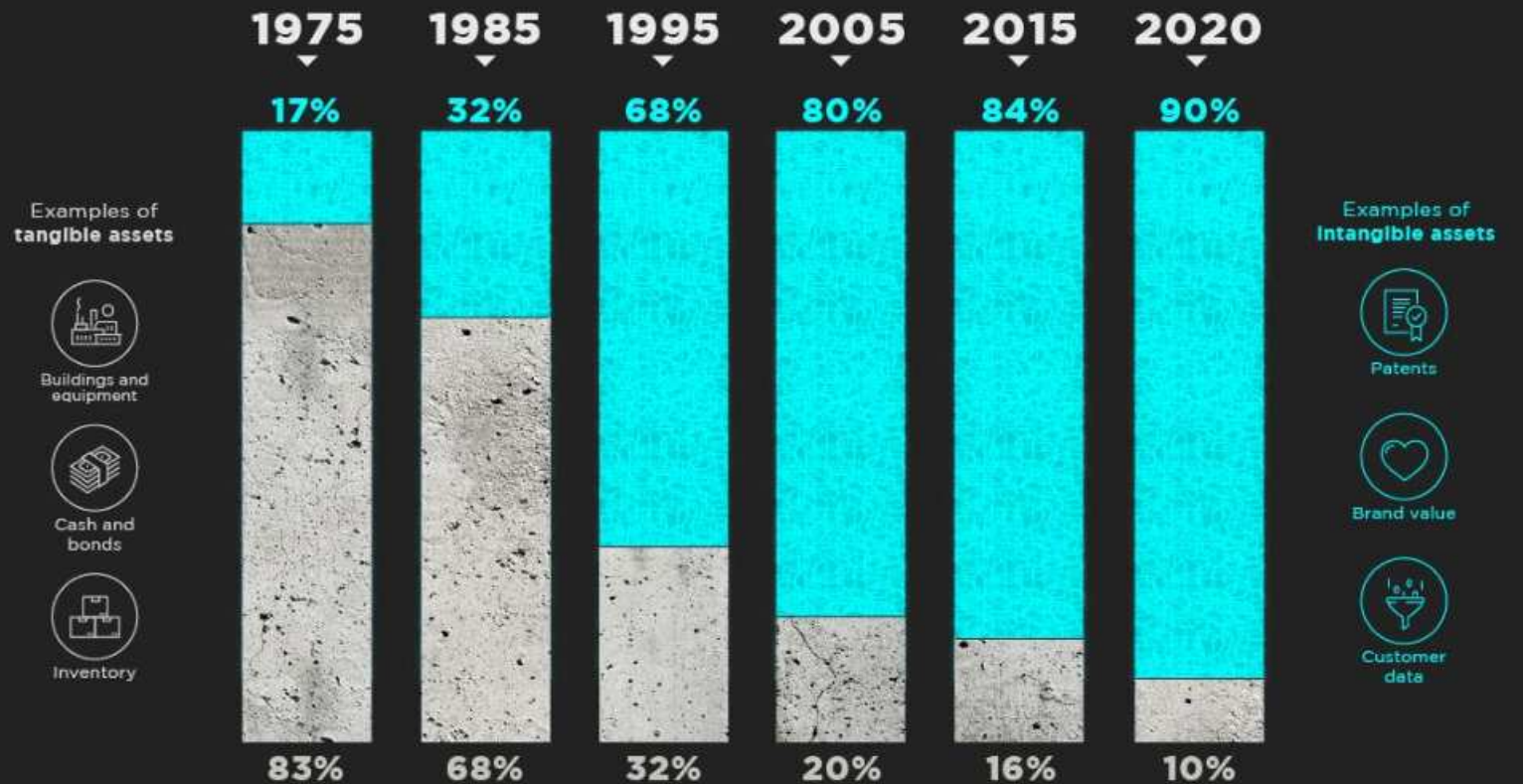


Stakeholder Value Creation as
Opportunity

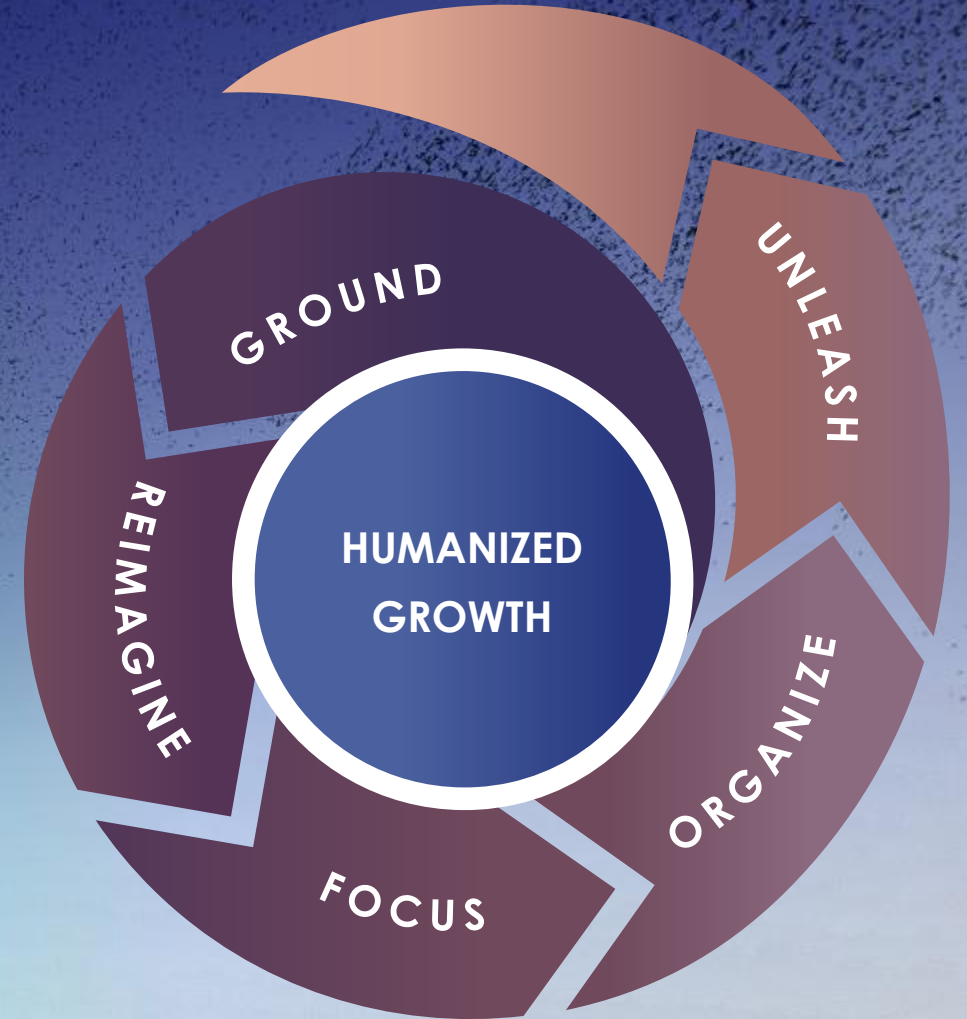
Value Creation: Shift to Intangibles

from 17%

to 90%

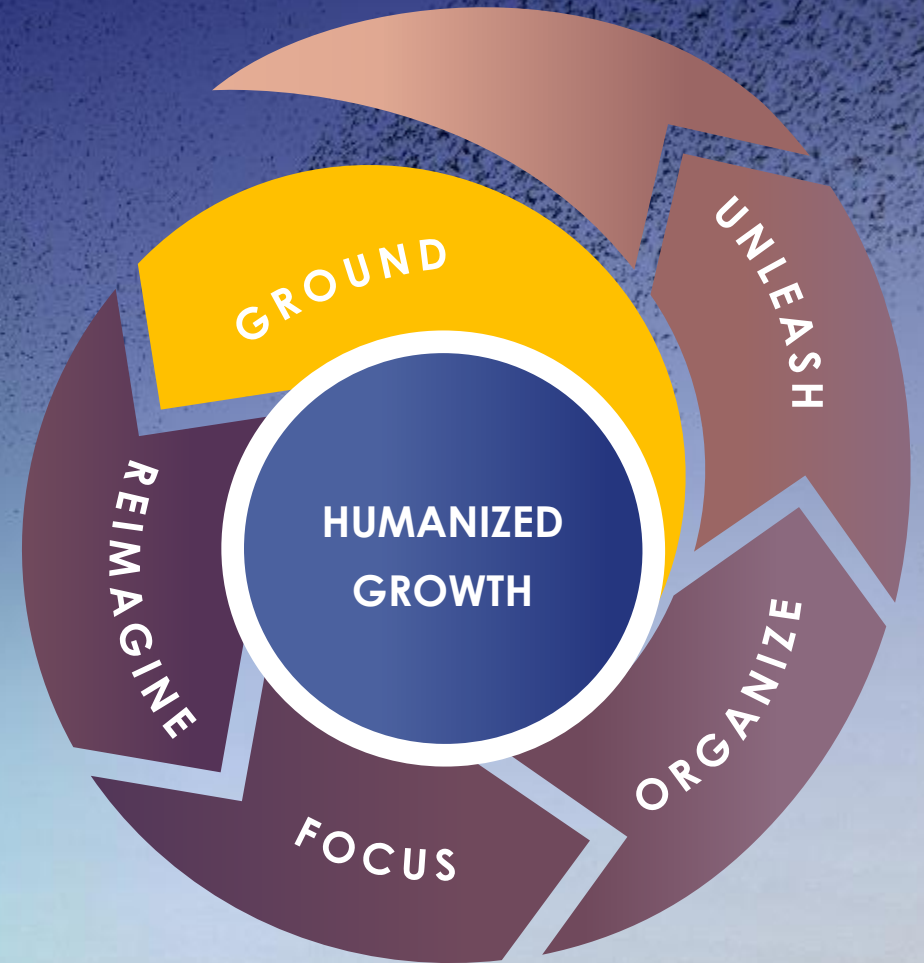


Drivers of Humanized Growth

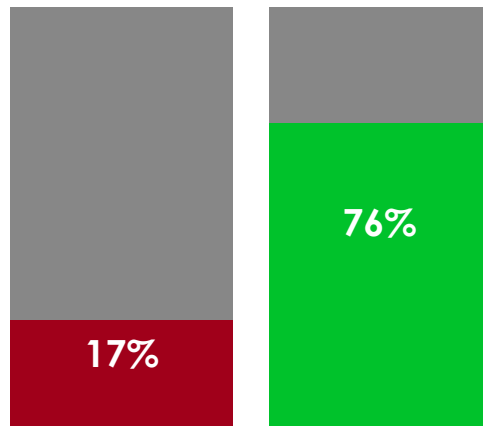


Ground

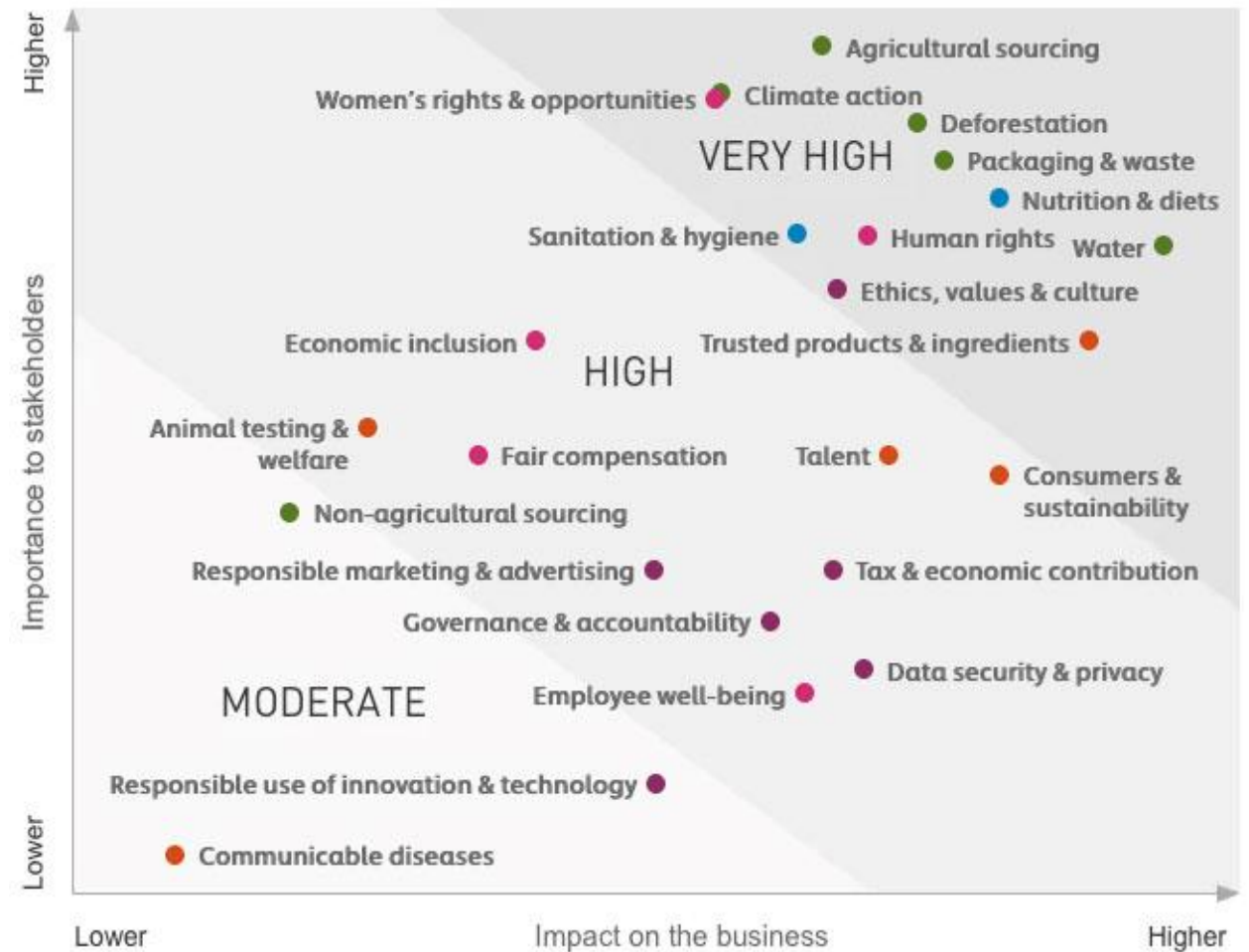
Human First



Stakeholder Understanding



Understanding Stakeholders



Stakeholder Engagement

NEXT SPEAKER

HARGENRADER

ABOUT SEX! INTIMACY AND DIABETES

DEEPTalk



DEEPTalk

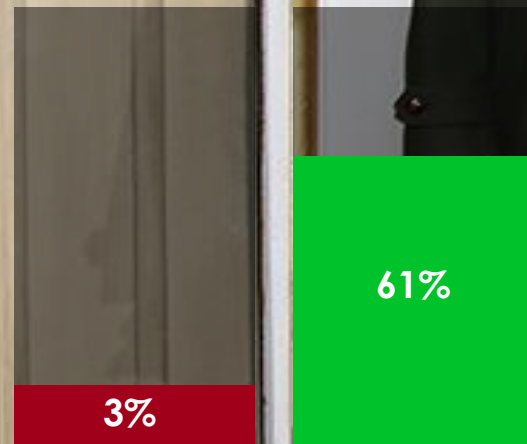
9%

64%

Engaging stakeholders



Stakeholder Representation



Represent stakeholders
in decision making

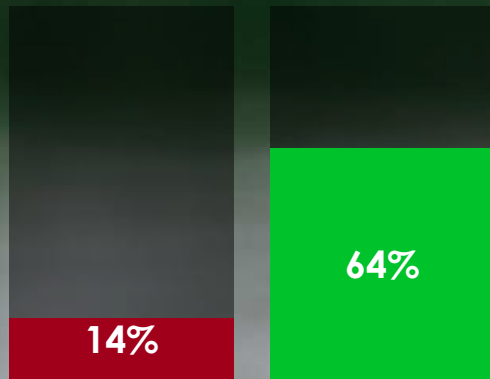
CHRO that helped create an integrated stakeholder map



CHRO that truly
seeks what
employees
want/need?
People not
numbers...



Transparency in results



Willingness to share good and bad news

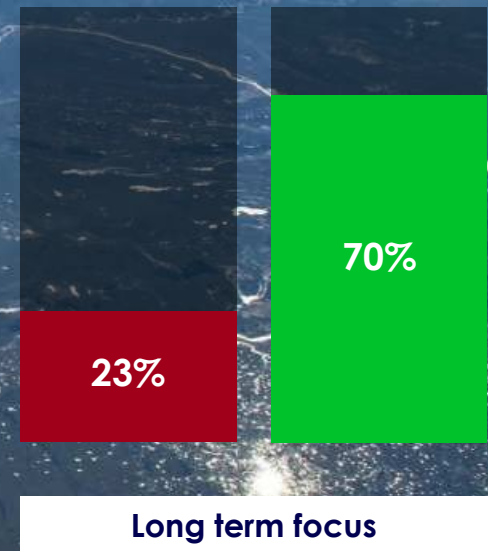
**CHRO dedicated to
driving (internal)
transparency (like
remuneration?)**

Reimagine

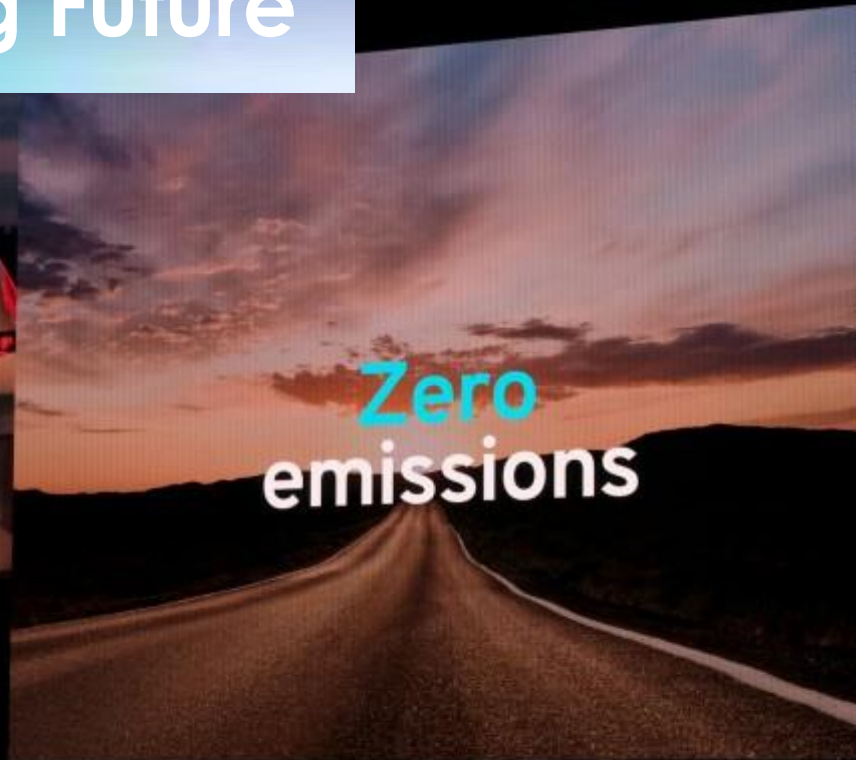
*Future Backward &
Aspirational Role*



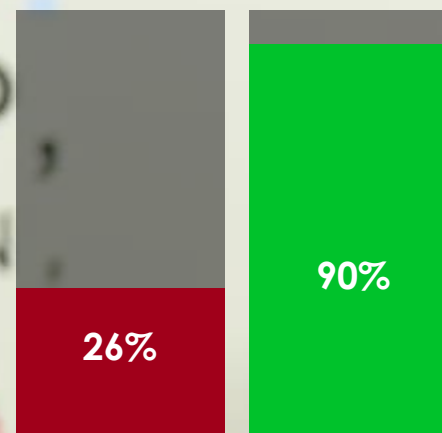
Zooming out



Utopian Vision of the Emerging Future

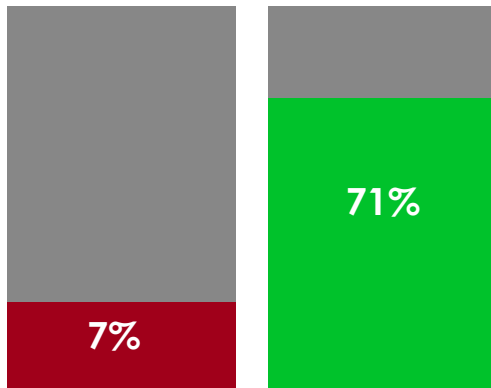


Aspirational Role for the Company

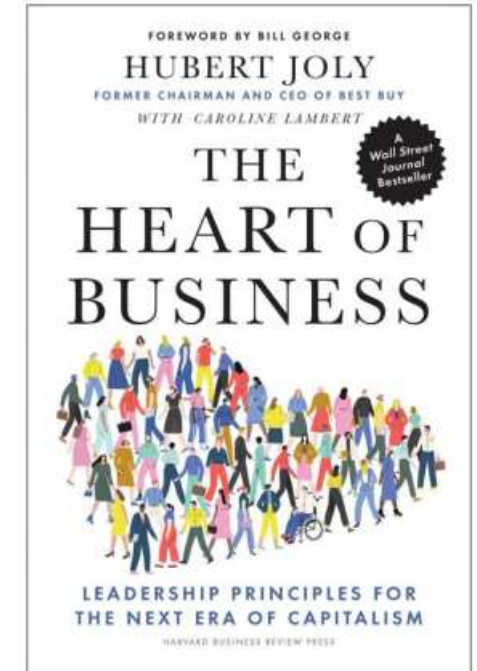
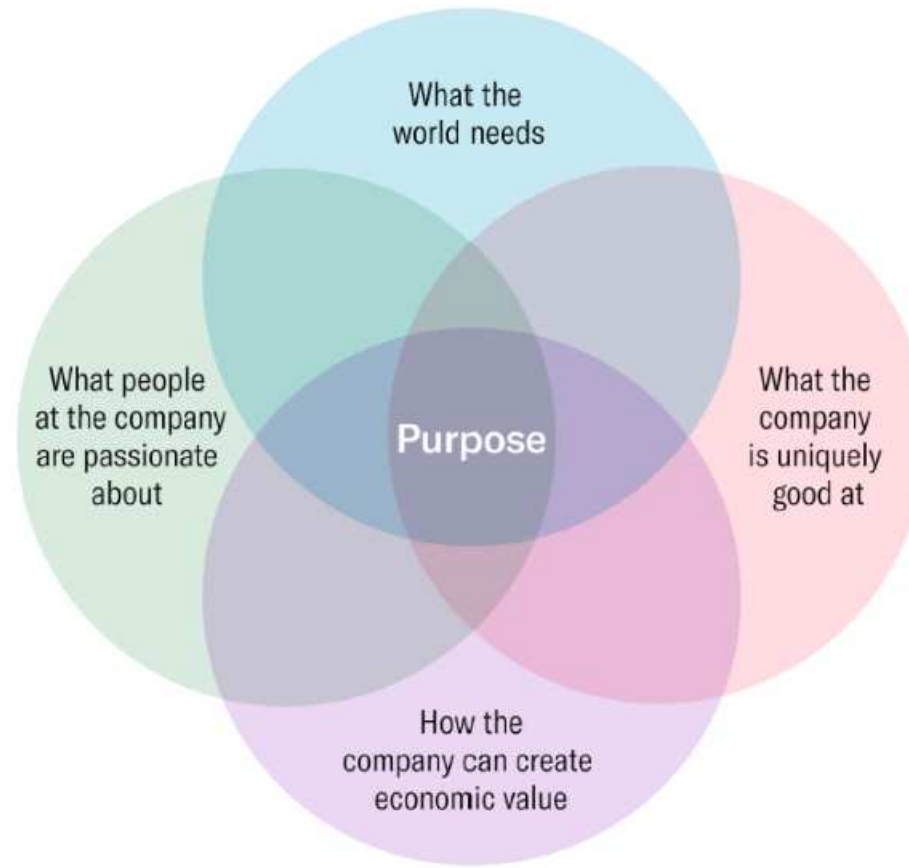


I am proud of my
company's purpose

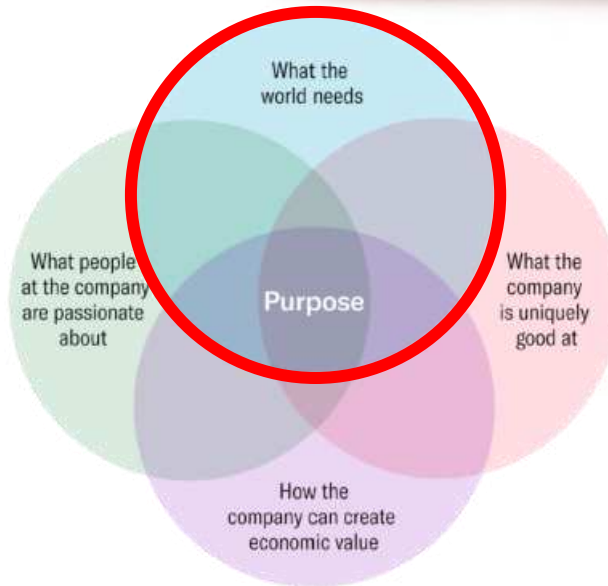
Purpose as Strategic Filter



In my company, the purpose guides all strategic decision-making



Cause Based Purpose



Competency Based Purpose

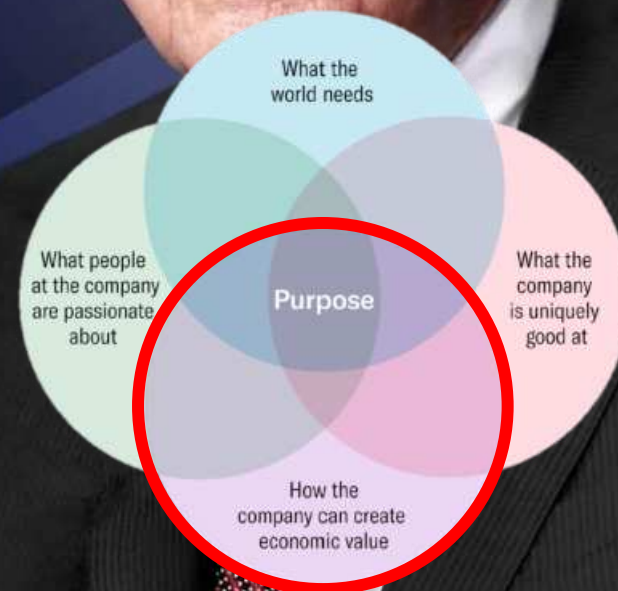
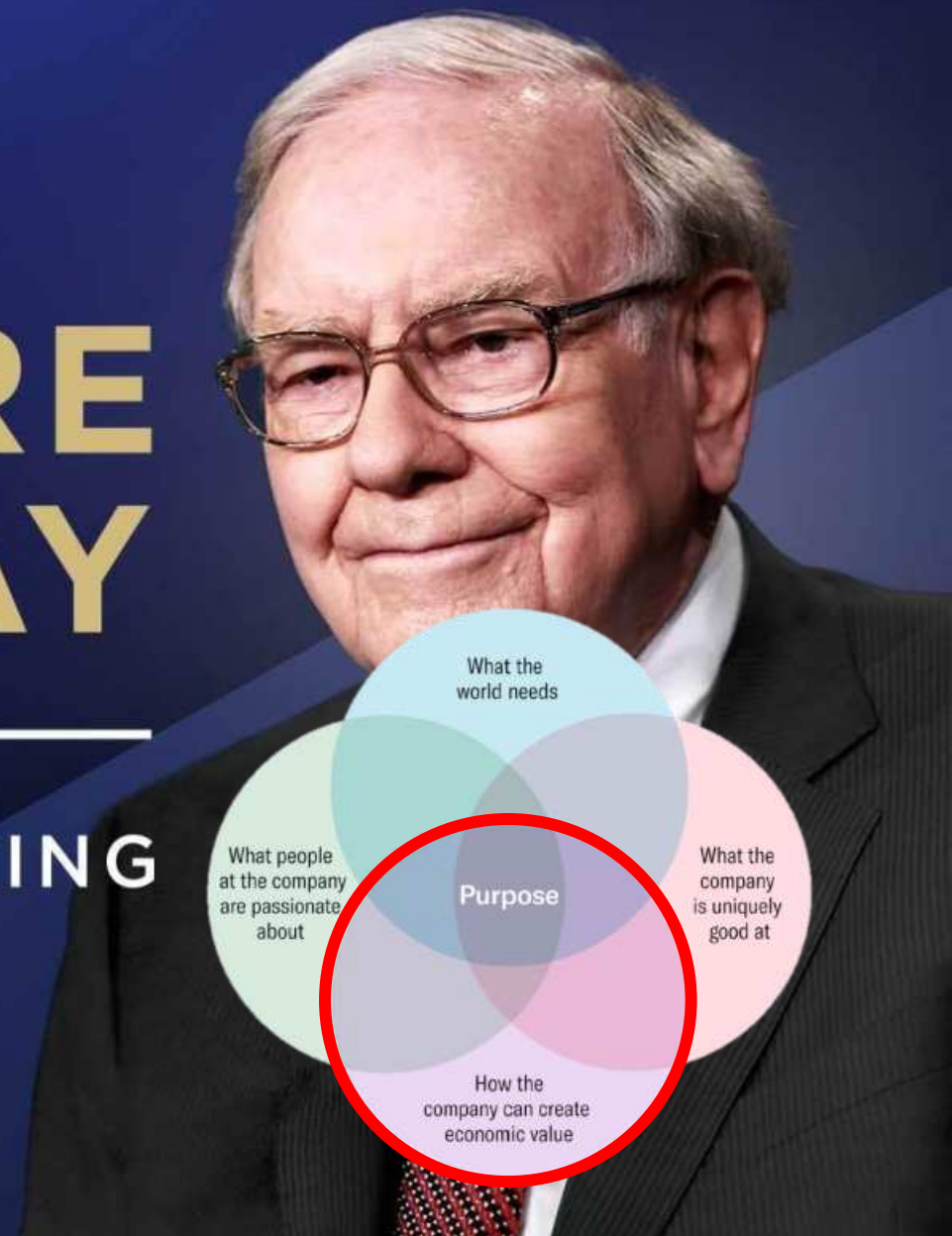


Economic Value Based Purpose

20
22

BERKSHIRE
HATHAWAY

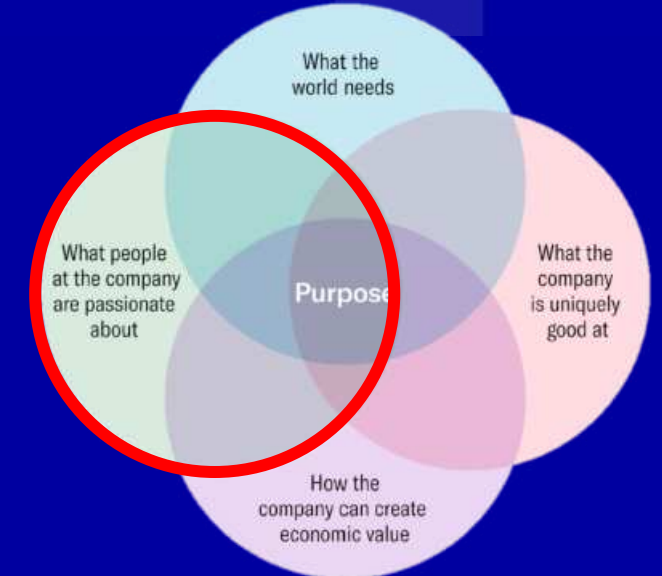
ANNUAL SHAREHOLDERS MEETING



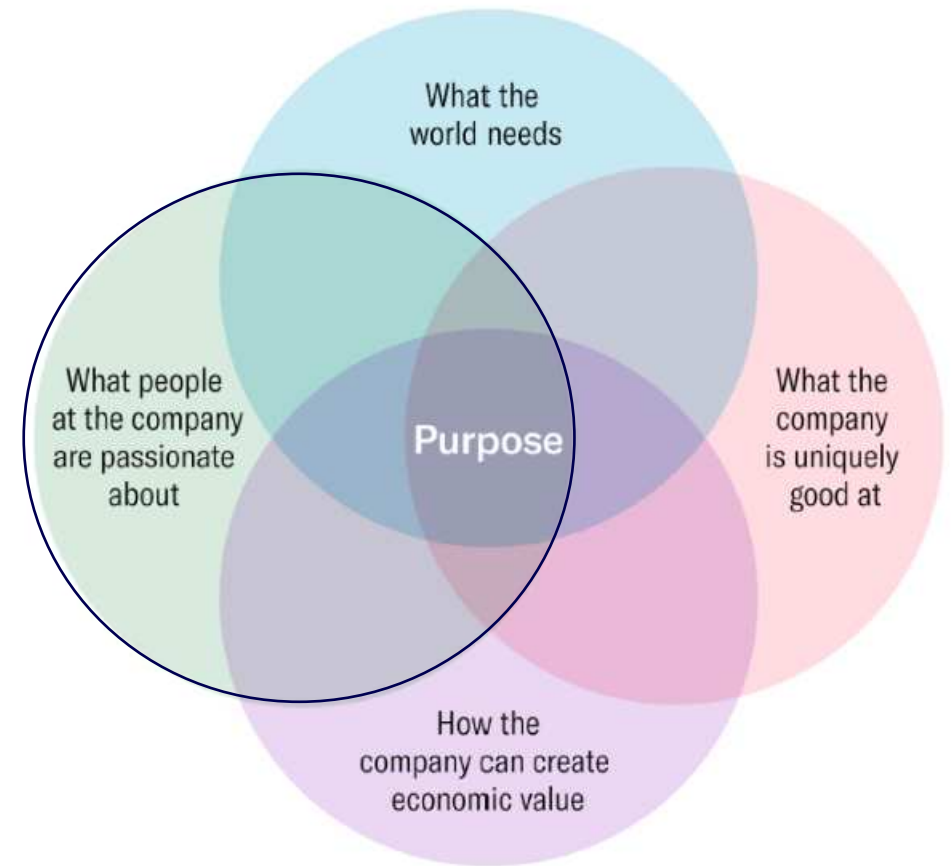
Culture Based Purpose



**The world we
want tomorrow
starts with how we
do business today**
MARS



Example of CHRO driving culture / cause / competency -based purpose



McKinsey
& Company

60%

BAIN & COMPANY 

4:1

Critical for
retention, and
acquisition



Integrated Perspective

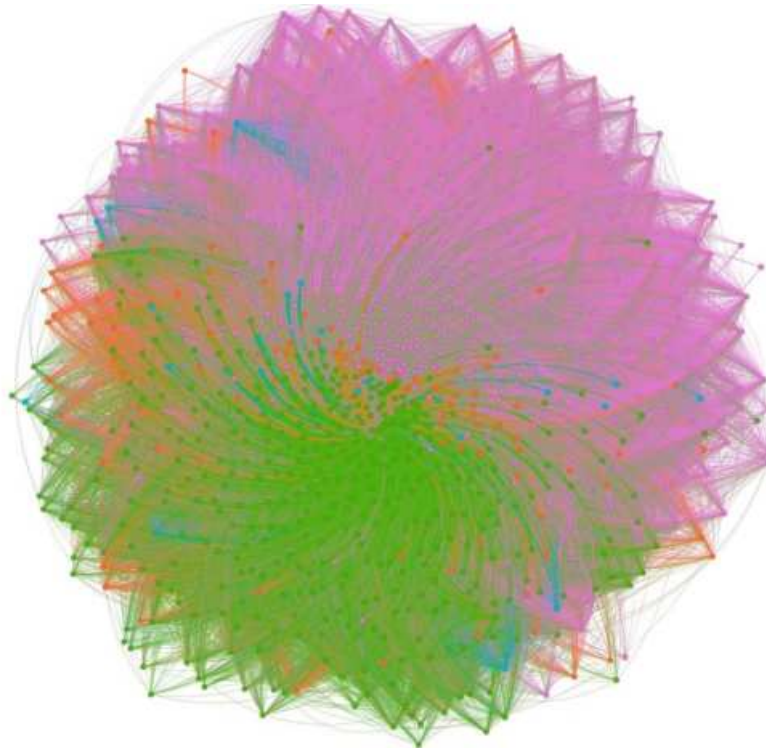
Work, team, business, career , opportunity



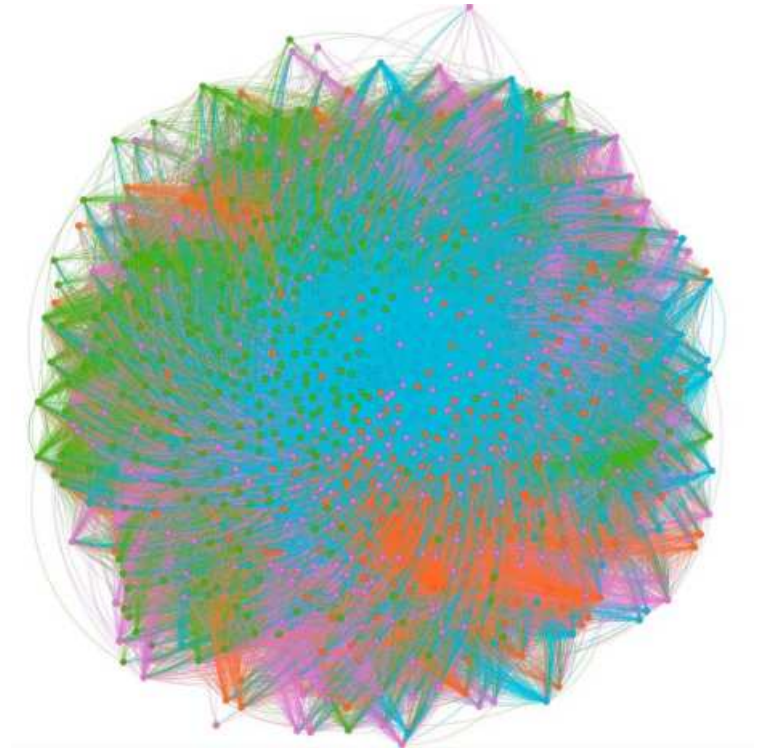
Growth
Stakeholder
Value
Profit
Engagement

Impact

N=97,837 tweets
N=19,952 LinkedIn posts



Overperformers
2 Classes



Underperformers
4 Classes

You have to walk the talk

NEW STORE COMING SOON TO
YORKDALE SHOPPING CENTER

JOIN US FOR OUR JOB FAIR @ HOLIDAY INN YORKDALE

NOW HIRING

STORE MANAGER, CO-MANAGER, ASSISTANT MANAGER,
VISUAL MANAGER, VISUAL MERCHANDISERS & SALES ASSOCIATES

TUE, OCT. 14TH — SAT, OCT. 18TH
FROM 8^{AM} — 5^{PM} ALL DAYS

3450 DUFFERIN STREET
TORONTO, ON M6A 2V1

ATTEND THE OPEN INTERVIEWS FOR CONSIDERATION VISIT OUR WEBSITE : WWW.FOREVER21.COM/CAREERS



Focus

*Holistic Strategy
& Adaptive Change*



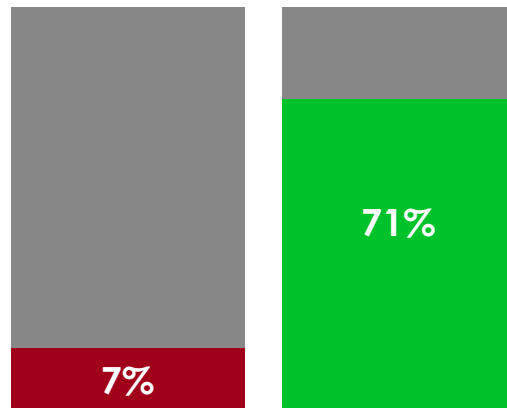


Prioritizing Stakeholders



Define Value Per Stakeholder

MARS



Value Creation strategy across
all Stakeholders



CHRO that has
used the voice of
the colleague (or
other stakeholder),
and shifted
strategy as a
result?



Courage to define
what to STOP



The New York Times

CVS Stores Stop Selling All Tobacco Products

THE WALL STREET JOURNAL

CVS Renames Itself CVS Health as It Ends Sale of Tobacco Products

KPIs for Measuring Intangibles

Intangible HR metrics?



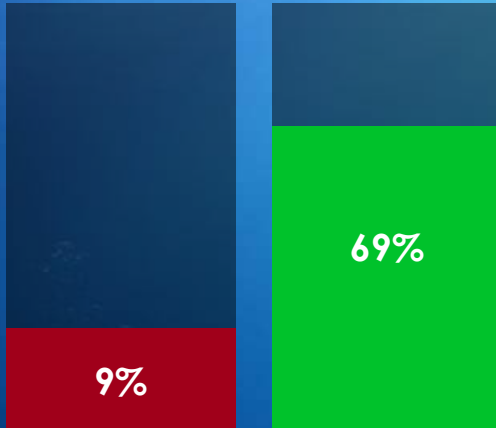
Organize

Interdependence





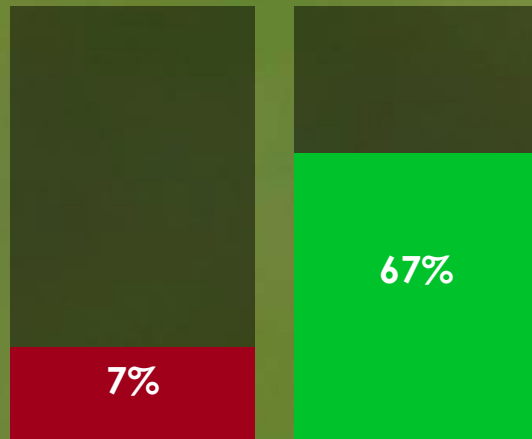
Driving Systemic Change



Systemic change to drive stakeholder value



Recognizing Interdependencies



Working Interdependently

Internally - across functional silos



The Changing Organization

Yesterday



Today



Tomorrow



Deliver Employee Experience



Rethinking Incentive Systems

Stats
Frederick Barge -
whitepaper



Unleash

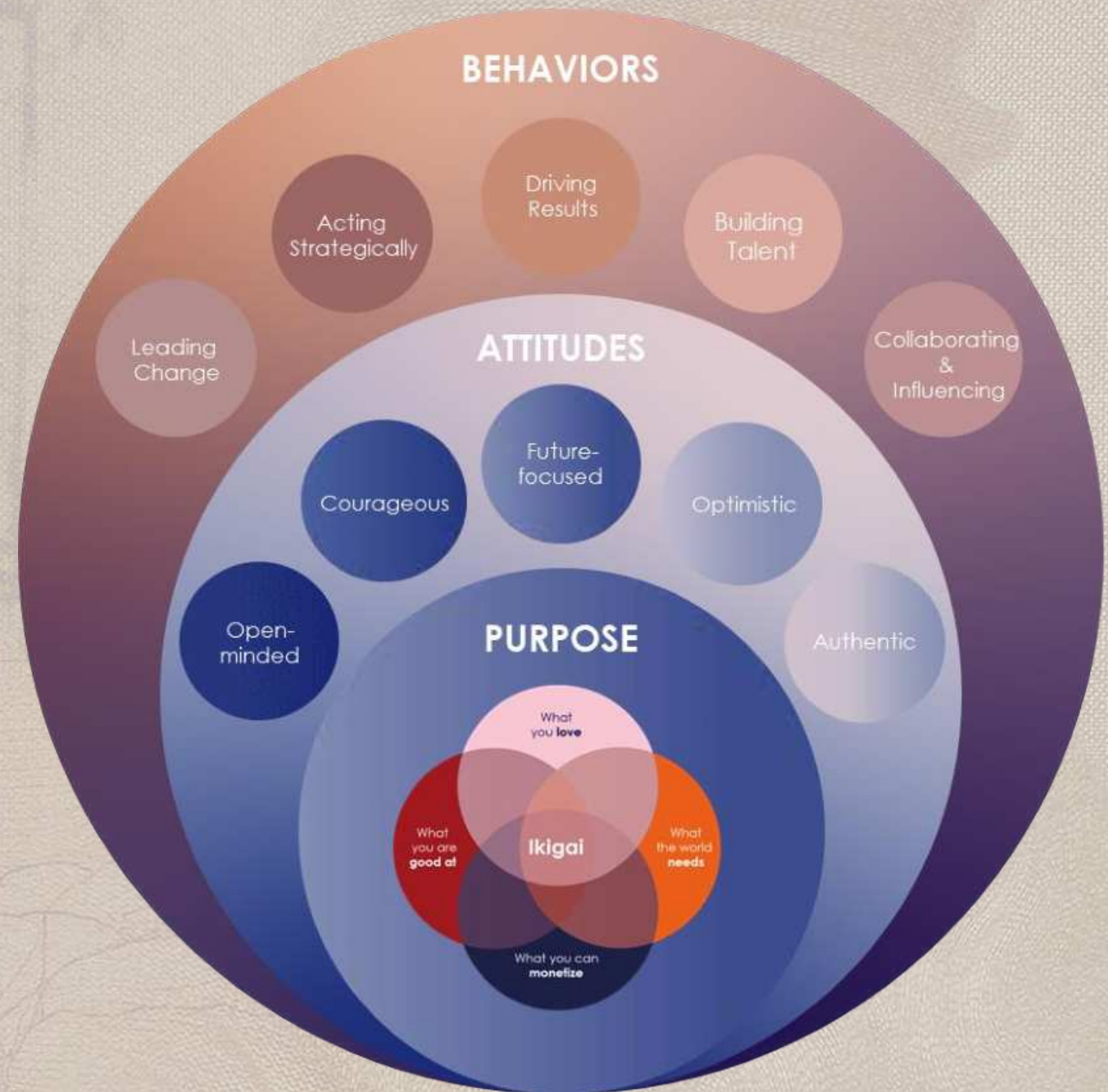
Da Vinci Leadership



Da Vinci Leader Profile

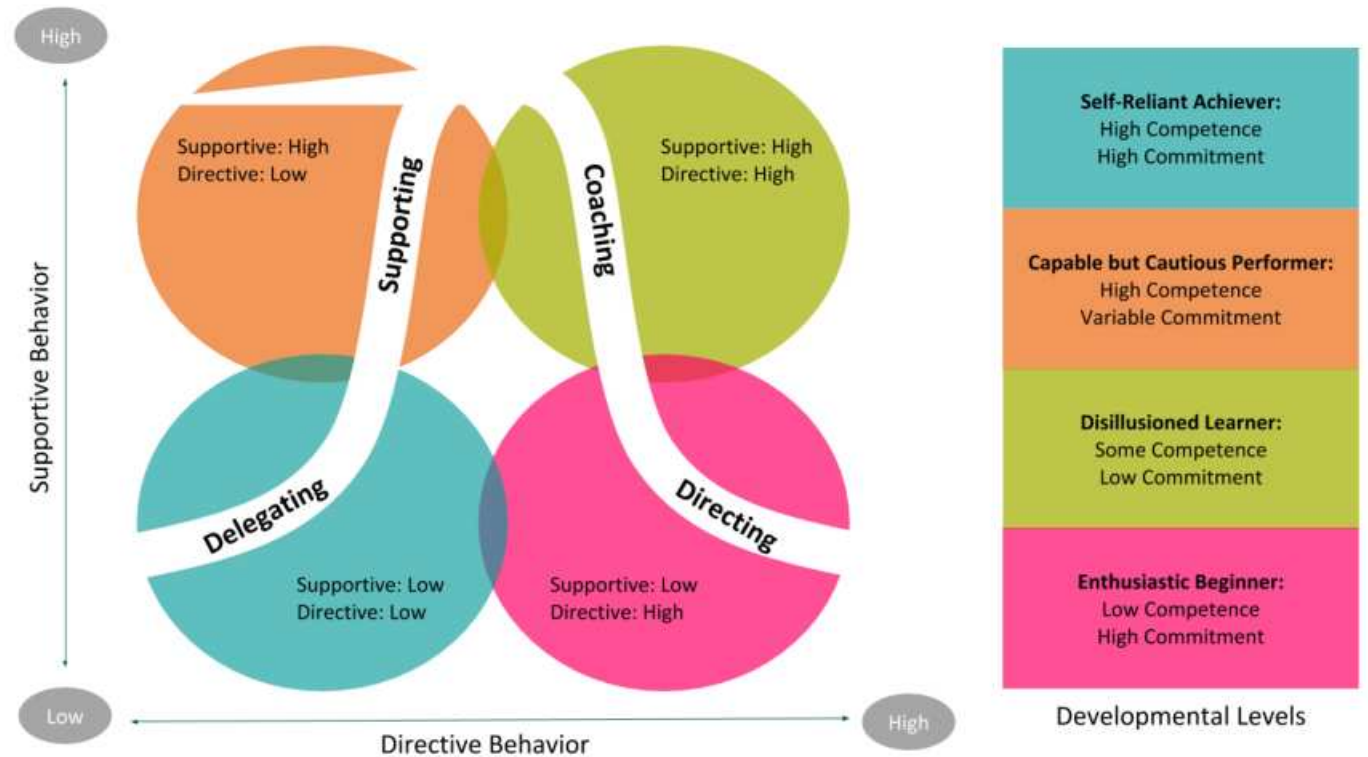
SpencerStuart

THE B TEAM ▶



Situational Leadership

Hersey-Blanchard Situational Leadership Theories



*This graphic combines elements of the Hersey-Blanchard Situational Leadership Theory & Blanchard's revised Situational Leadership Theory II

Role model Vulnerability



Partner with C-suite



Join for a career that
changes *communities*

Stay for the people who make
a difference.



There is no employer brand.
There is just THE brand.



Drive the capability agenda...



And the DEI agenda



Your accountability?

CREATOR

LEADER

COLLABORATOR

CHALLENGER

SUPPORTER

SUPPORTER

CHALLENGER

COLLABORATOR

LEADER

CREATOR

GROUND

Colleagues
understanding

Full eco-system
understanding

REIMAGINE

Embedding
employer brand
vision & role

Co-creation and
ongoing calibration of
employer vision & role

FOCUS

HR Process Optimization,
transaction orientation

Humans & Growth,
building a culture

ORGANIZE

Incremental
improvements in
existing structure,
tools processes

Radical rethink of
internal and external
collaboration models

UNLEASH

Develop existing
capabilities, functional
leadership

Invest in
next-gen capabilities
and da Vinci Leaders