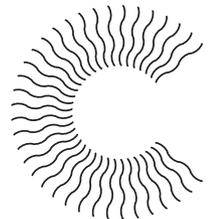


# Unplug from the past

## Chief Human Resources Officer

Global C-suite Study  
19th edition

IBM Institute for  
Business Value



The IBM Institute for Business Value, in cooperation with Oxford Economics, interviewed 2,139 Chief Human Resources Officers (CHROs). In 179 face-to-face and 1,960 phone interviews, both quantitative and qualitative responses were collected. The analytical basis for this CHRO report uses 2,080 valid responses from the total data sample collected.

More than 12,800 CxOs, representing six C-suite roles, 20 industries and 112 countries, contributed to our latest research. We used the IBM Watson Natural Language Classifier to analyze their contextual responses and ascertain overarching themes. We also used various statistical methods, including cluster analysis and discriminant analysis, to scrutinize the millions of data points we collected.

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## From HR as usual to pursuing change

The people pendulum is swinging again. After fluctuating in importance for over a decade, this year the focus on talent has risen sharply across the C-suite.<sup>1</sup> CEOs, especially, are paying close attention — 65 percent expect that people skills will have a strong impact on their businesses over the next several years, and will prompt the creation of new strategies.<sup>2</sup>

For CHROs, this means the heat is on. Yet our research shows that only 28 percent expect their enterprise to address changing workforce demographics with new strategies. As organizations strive for entirely new business models — collaborating with partners across highly orchestrated ecosystems or digital platforms — it's time for HR to take bold steps to foster reinvention and ensure talent flourishes across the enterprise.

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## A broader context

### Perspective from the Global C-suite Study

Two decades after the Internet became a platform for transformation, we're still wondering how it all might turn out. The signals aren't always clear. Today, winner-take-all organizations are on the rise, but collaborative ecosystems are flourishing as well. Even in industries where competitive concentration is increasing, innovation hasn't—as would be expected—flatlined. Which way to the future?

The organizations that are prospering aren't lying in wait to time the next inflection point: the moment when a new technology, business model or means of production really takes off. Remaking the enterprise, they recognize, isn't a matter of timing but of continuity. What's required, now more than ever, is the resilience for perpetual reinvention. It's a matter of seeking and championing change even when the status quo happens to be working quite well.

To put the HR story into context, it's important to look at the new business landscape. Four macro trends have emerged: market incumbents are rising, personalization is taking off, platforms are disrupting industries, and agile methods are driving innovation.

Drawing from the responses to a survey of executives across the C-suite, IBM client engagements and our work with academics, the 19th edition of the IBM Global C-suite Study, "Incumbents Strike Back," explores these four topics that describe the changing business landscape.<sup>3</sup>

## Dancing with disruption: Incumbents hit their stride

Is disruption dead? Certainly, there's less of it than most C-suite executives anticipated. Just under three in ten say they're experiencing significant disruption; hardly the deluge expected. What happened? As industries consolidated, startups deprived of venture capital funding stalled at the gate—or were snapped up by incumbents. Confounding the situation, C-suite executives report that it's not the fearsome digital giants they're concerned about most, but the once lumbering, now innovative, industry incumbents that have gained the capacity to strike first and strike back.

Disruption hasn't gone underground; instead it's emerging as a capability incumbents are ready to embrace. They orchestrate advantage by continuously reallocating resources to invest in promising new areas. They have learned to move fast, experiment and iterate. They're reinventing themselves before they are forced by competitors to reconsider their options.

## Trust in the journey: The path to personalization

Personalization is a huge opportunity to grow revenues and loyalty, but absent true customer insight, too many organizations are in danger not just of falling short of their targets, but disappointing their customers. Leading organizations are modeling a new path to insight; they are design thinkers. They use data to interrogate their environments, create context and reveal what's deeply human about their employees and customers. To achieve the elegant and irresistible design of the employee and customer experiences, they don't start with solutions; instead, they seek to ask the next best question.

Leading organizations excel at two activities—customer co-creation and detailed journey mapping. These activities generate insights in abundance, feed on-target personalization and have equally important second-order effects: they propagate trust both inside the workforce and with customers. Trust between peers in co-creation communities is transferred to the enterprise and extended outside the community by a cadre of influencers. Likewise, journey maps cement trust by instilling a culture of accountability to customers inside the organization. Leading organizations dedicated to discovering their customers' unmet needs don't just ask for loyalty on the basis of personalization. They earn and provide reasons to trust.

## Orchestrating the future: The pull of platforms

Who wouldn't want to be an Amazon or Alibaba? An intrepid few in every industry are venturing onto business platforms, creating dazzling network effects by orchestrating direct interactions between consumers and producers, and pulling others fast in the same direction. Organizations will need to consider whether they reinvent themselves to own or participate in a business model platform, or to do both. Regardless, the "rules" for success are shifting.

Platforms break down conventions. Prime among those conventions is the value derived from proprietary advantage. Platform operators create value from reciprocity—they cultivate win-win propositions for the network of organizations on their platforms. Above all else, platform owners are ready to reallocate resources from defending markets to innovating in new ones. Attracted by the potential for outsized returns, 28 percent of the C-suite executives surveyed report their enterprises are reallocating some portion of capital to build out platforms. Past and future reallocation could approach an estimated USD 1.2 trillion in the next few years.

## Innovation in motion: Agility for the enterprise

Asked to rank the capabilities most instrumental to their success, CEOs cited willingness to experiment and empowering employees among the top most important ones. Leading organizations are rethinking the employee construct at its most elemental level: they're cultivating autonomy and learning on the fly by implementing a more fluid work structure made up of cross-functional teams. For many, the initial inspiration to do so is to get closer—and become more responsive—to their customers.

Leaders in these organizations look to employees to actively challenge and reshape their own views on the course the company should take next. They make it clear that they value smart experimentation and rapid response to market changes. Their employees aren't lined up neatly behind them; they're encouraged to explore.

**As part of the Global C-suite Study, we interviewed over 2,100 CHROs to better understand how the HR function is evolving. In this report, we explore how forward-thinking CHROs are responding to crucial changes in the business landscape in three sections—**

**People first: Designing an open culture**

**Exponential learning: Accelerating and personalizing skills**

**Make way for change: HR steps into the future**

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# CHRO perspectives

## People first: Designing an open culture

### **Peter Cappelli**

George W. Taylor Professor of Management  
The Wharton School

### **Tina Marron-Partridge**

Global Leader, Talent & Engagement  
IBM Services

For some time now, organizations have recognized the need to create a more open culture. In such an environment, employees are empowered to share their ideas, explore new opportunities and take action (see case study on page 6, “Tangerine: Success starts from within”). Recently, the requirement for culture change has taken on new urgency as organizations redesign their business models more dramatically.

Increasingly, to create new value, they’re seeking and finding advantage by expanding their business partner networks — such as strategic collaborations with third-party vendors and co-ventures with other organizations. Most are shifting from a focus on product innovation to personalized customer experiences. A growing number anticipate venturing onto digital platforms to orchestrate activities across an ecosystem of producers and consumers.<sup>4</sup>

The benefits derived from an open culture are reinforced by the workforce itself. Research shows that employees now expect experiences at work that are as intuitive as the interactions they demand as consumers.<sup>5</sup> Responsiveness, transparency and authenticity are highly valued in the workplace.<sup>6</sup> Employees are quick to leverage social media, online tools and other channels to share their sentiments broadly, both inside and outside the organization, and pressure organizations for responses to concerns.

**“My best advice to any new leader is to empower employees, and create a culture of agility and collaboration across the organization.”**

Chief Executive Officer, Travel, Portugal

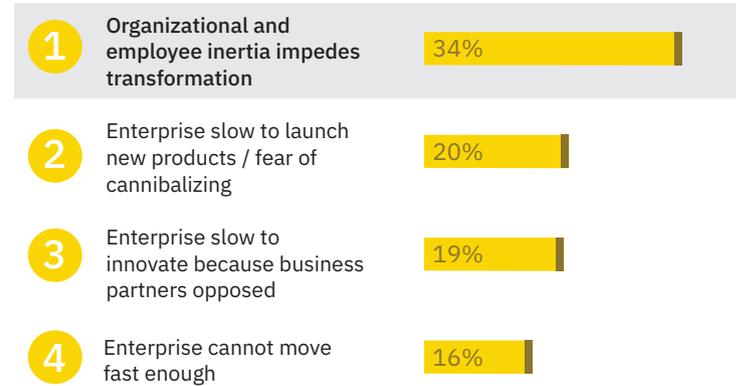
## Tangerine: Success starts from within

For the Canadian financial institution Tangerine, serving its customers with a great digital banking experience starts on the inside. The company has worked hard to create a culture that motivates and empowers its nearly 1,000 employees. From rebranding its corporate values as four “promises” — share, care, dare and deliver — to a CEO who spends hours each week talking to members of the workforce, to an online ideas platform to spark curiosity and innovation, Tangerine has embraced the philosophy that culture drives its business forward.

Figure 1

## Resist the resistance

The unwillingness to change



*Q. Thinking about the business success of your enterprise over the past 3-5 years, what—if anything—has held you back?*

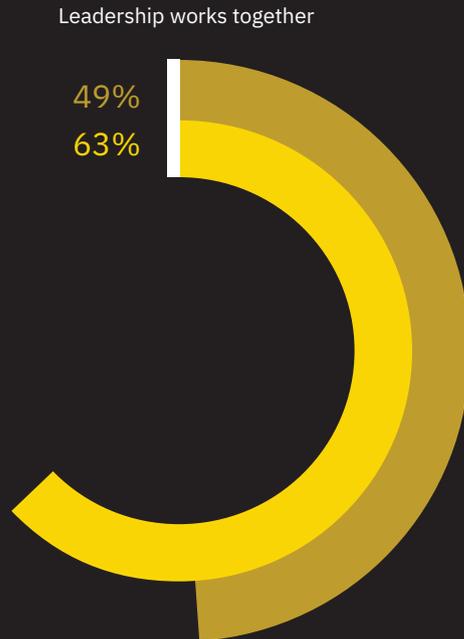
More than any other obstacle, the CEOs we surveyed cite organizational and employee inertia to be the top cultural impediment to their enterprise transformation (see Figure 1). For organizations in search of reinvention, a vision of the future that is shared across the enterprise is a critical first step to mobilize the workforce. Our findings suggest that this is a challenge for many. We asked CEOs if their people clearly understand their vision—fewer than half agreed. CHROs report similarly low results, with only 51 percent saying their workforce has a sense of where the organization is headed. No doubt, this challenge has been exacerbated in recent years by the pace of change.

Figure 2

CEOs  
CHROs

## It depends on your perspective

CHROs see collaboration  
where CEOs don't



*Q. To what extent do you agree with this statement: Our leadership works together effectively in a collaborative, collegial and productive way? (agree to a large extent)*

To get a sure sense of where they should be heading, C-suite leaders themselves must be open to change. They should be prepared to reconsider their destination—as well as how to get there—with greater frequency. In other words, their vision should be dynamic.<sup>7</sup> To encourage an openness to change, leaders are learning to develop their vision in close collaboration with customers and employees.

**“We believe we can only meet and exceed our customers’ expectations by investing in and fostering a culture of innovation inside our organization.”**

Chief Human Resources Officer, Telecommunications, Saudi Arabia

Leaders pursuing a more dynamic vision actively solicit input from employees to develop new ideas and inform that vision. CHROs, of course, play an important role in fostering a culture in which collaboration of this kind flourishes. But there’s much room for improvement: just 54 percent of CHROs and 46 percent of CEOs report that their organizations have been successful in eliciting input from employees to develop new ideas.

On a related front, nearly two-thirds, 63 percent, of CHROs report that their leadership works together in a collaborative fashion. Only 49 percent of CEOs would agree (see Figure 2). CHROs and CEOs need to agree on perspectives and priorities—and jointly pursue those objectives.

CHROs are less optimistic when it comes to the openness of their cultures and the value placed on collaboration in their organizations. We asked whether leadership actively promotes transparency and continuous dialogue, if teams are empowered to decide the next best course of action and if leaders reward fast failure equally with success. Only about half of CHROs report their organizations are very effective at encouraging any of these behavior patterns — even fundamental collaboration is not valued or actively promoted in their organizations.

One approach to culture change favored by CHROs has been programs under the rubric of the “employee experience.” The CHROs we spoke to are evenly divided in their progress: 54 percent report an increased focus on employee experience in the last two years. However, CHROs from Reinventor organizations, a cluster of organizations that lead in revenues, profit and innovation, are ahead of their peers in these efforts (see sidebar “Introducing Reinventors, Practitioners and Aspirationalists”). Seven in ten Reinventor CHROs indicate they’ve increased their focus on the employee experience.

## Introducing Reinventors, Practitioners and Aspirationalists

We applied cluster analysis to identify distinct segments of organizations among more than 12,500 participants in the Global C-suite Study. Three archetypes emerged, which we’ve named Reinventors, Practitioners and Aspirationalists. The organizations clustered in these archetypes are at different stages of Digital Reinvention™ and are eyeing the opportunities ahead from their respective vantage points.

Reinventors report that they outperformed their peers in both revenue growth and profitability, and lead as well in innovation. They say their IT strategy is in sync with their business strategy, and they’ve redirected their resources to attract new sources of value from broad networks of partners. They’re ahead of all others in co-creation and close collaboration with customers and partners, and seeding an open culture to bring new ideas to the fore.

Practitioners haven’t yet developed the capabilities to match their ambitions. And they are ambitious. Over one-half of Practitioners plan to launch new business models in the next few years. Aspirationalists, as their name implies, have a ways to go. Their biggest challenges are getting the right vision, strategy, execution capabilities and resources in place.

Of the CHROs we surveyed, 35 percent came from Reinventor organizations, 33 percent from Practitioner organizations and 32 percent from Aspirational organizations.

In designing the new employee experience, Reinventor CHROs take a different approach than their peers. They don't view their employees as resources to allocate and manage. To them, employees are individuals who are uniquely human, who respond in different ways to challenges and setbacks, and whose best thinking and moments of inspiration require support in ways that are specific to each one of them. Reinventor CHROs say they know which moments matter most to their employees – almost two-thirds of Reinventor CHROs (64 percent) say they are very effective at this compared to only 48 percent of Practitioners and 40 percent of Aspirationals.

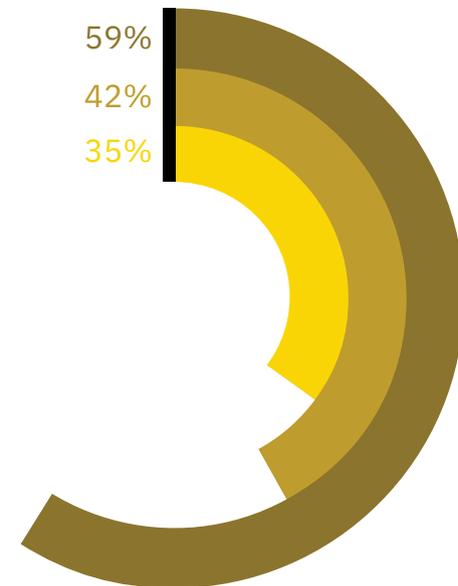
Reinventors also value employee engagement more than Practitioners and Aspirationals. And, realizing that people results are linked to business results, they use data to guide them (see sidebar on page 10, “Employee experience drives customer experience”). Seventy-two percent of Reinventor CHROs versus just over half (55 percent) of all other respondents see significant value in gauging employee sentiment based on internal and external data sources. Moreover, 59 percent of Reinventor CHROs report that they rely on data and analytics to a large extent to glean insights that help them understand and address issues related to employee experience programs (see Figure 3).

Figure 3

Reinventors  
Practitioners  
Aspirationals

## Quantifying experiences

Using data and analytics to understand and address the employee experience



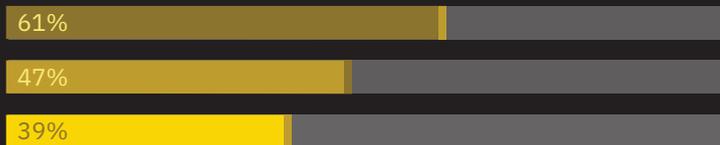
*Q. To what extent do you agree with this statement: We use data and analytics to better understand and address issues related to employee experience? (agree to a large extent)*

## Employee experience drives customer experience

Recent research shows a positive correlation between improved employee experience and an improved customer experience. In fact, organizations that score in the top 25 percent on employee experience report more than double the return on sales compared to organizations in the bottom quartile.<sup>8</sup> Reinventor CHROs are confident in this knowledge: 61 percent report a strong understanding of the links between employee experience and customer experience, compared to only 47 percent of Practitioners and 39 percent of Aspirationals (see Figure 4). These leading CHROs may see that demonstrating clear returns on investment and positive business outcomes helps ease C-suite approvals and organizational buy-in for ongoing investments in employee experience initiatives.

Figure 4

Reinventors  
Practitioners  
Aspirationals



### From the inside out

The impact of employee experience on customer experience

Looking deeper, some CHROs are eager to supplement an open culture and a people-centric approach with a more fluid work structure built on cross-functional teams. Often, these teams are designed to be more autonomous. When freed from excessive management oversight, they can scout and develop new opportunities. When done well, benefits range from radical innovation to rapid responses that address as-yet-unmet customer needs. Fifty percent of CHROs say they excel at creating fluid cross-organizational teams today.

Next up for some could be cross-enterprise teams — teams that are made up of employees from more than one organization. As tighter collaboration across ecosystems of partners gives way to the coordination of activities on new digital platforms, the workforce itself becomes more fluid. Today, 43 percent of CHROs report that they're already sharing people across their full value chains or ecosystems. Fewer CEOs (29 percent) indicate they are doing so to a large extent.

Supporting fluid cross-enterprise teams may be the CHRO's future challenge. As it stands today, just 48 percent of CHROs report that they share common values with their business partners. How will the enterprise bridge gaps between cultures? What new workforce skills will be required to engage in new partnerships? CHROs will need to be active participants in dialogue to resolve these issues.

*Q. To what extent do you agree that your employee experience directly impacts your customers' experience of your enterprise? (agree to a large extent)*

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# Exponential learning

## Accelerating and personalizing skills

For thirteen years, we've surveyed the C-suite on factors that would most impact their organizations going forward. During that time, executives responded that the importance of people skills has fluctuated greatly (see Figure 5). This year, people skills rose from fifth to third place as a force the entire C-suite expects to affect their organizations. Moreover, when asked what could accelerate organizational performance, CEOs rank an investment in people as number one.<sup>9</sup>

Yet while most executives in this latest study agree that investing in talent development is critical, many remain daunted by the challenge. Just one-half of CHROs say that they have the people skills and resources they need to execute the enterprise business strategy.

**“Our most important priority in HR is finding talent for the future, not just for now. We’re focused on the formidable challenge of attracting, developing and retaining employees with skills we haven’t yet determined.”**

Gina Dellabarca, General Manager, Human Resources, Westpac New Zealand

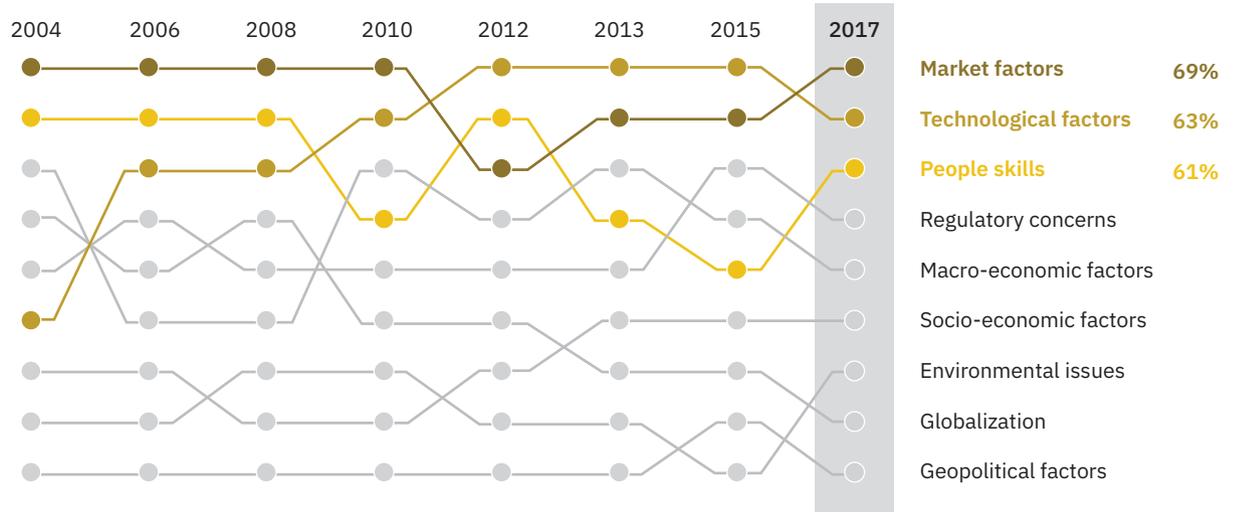
What’s driving the current concerns regarding skills? Shifts in business that have been underway for some time may have reached a tipping point. Changes to business models, including more collaboration across enterprises and the pervasive application of artificial intelligence (AI)/cognitive technologies in the workplace, have had a profound effect on the types of in-demand workforce skills and how people learn.

Skills are fast becoming a new competitive currency as organizations compete to secure top talent. In our recent report, “Facing the Storm,” we asked business leaders to tell us which skills and capabilities they most value for today and tomorrow: six in ten leaders cited digital skills as their priority, including fundamental and advanced technical capabilities in mathematics, science and computing (see Figure 6).<sup>10</sup> Yet only 11 percent of CHROs report their organizations have the necessary data science, machine learning and AI skills today.

Figure 5

### Back to the future

Across the C-suite, the impact of people skills is rising



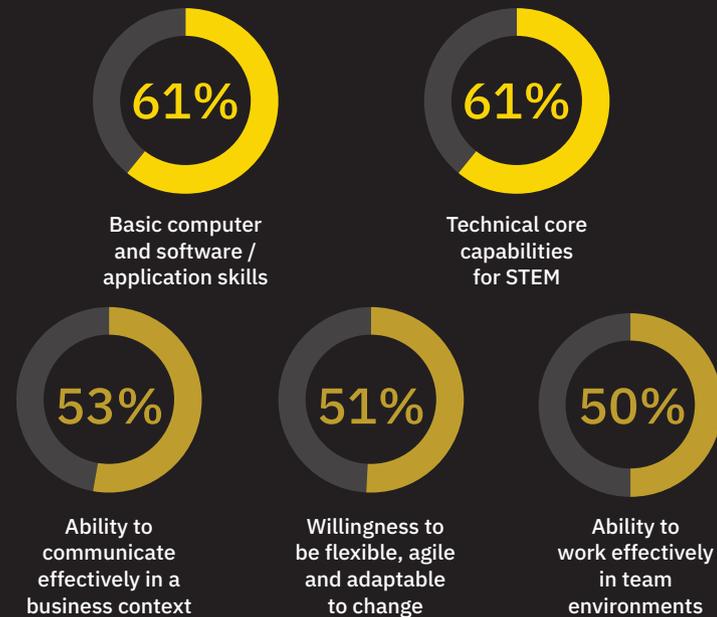
Q: What are the most important external forces that will impact your enterprise in 2–3 years? (select up to five)  
 Source: “Incumbents Strike Back: Insights from the Global C-suite Study.” IBM Institute for Business Value. 2018.

Figure 6

Interpersonal skills  
Technical and core skills

## Tech skills alone are not enough

Global leaders rate critical  
workforce capabilities



Q. What do you believe are the most critical skills required for members of the workforce today? Source: IBM Global Skills Study QC4. n = 5,676

While digital skills remain a priority, business leaders should also empower the workforce to succeed in an environment where employees co-create with customers and teams function with high degrees of autonomy. As a result, there is a growing emphasis on inter- and intra-personal skills. These include an aptitude for working in teams that are continually assembling and dispersing, a capacity for creativity and empathy, an ability to change course quickly and a propensity to seek personal growth.

Half of global leaders surveyed cite working effectively in team environments as a critical workforce capability.

“In the next two to three years, our organization will be focused on two things — securing and training excellent people.”

Chief Human Resources Officer, IT Services, Japan

Technological change is encouraging some CHROs to embrace a new “exponential learning” culture. Thanks to AI/cognitive technologies, even machines are learning, and humans and machines often learn together as well as teach each other. Given this evolution, organizations are embracing a new sense of what’s possible. An exponential learning culture emphasizes ultra-rapid skills development and the intentional design of interactions to advance up-to-the-minute knowledge sharing.

So how are organizations responding to the new demands for finding scarce skills and accelerating the learning curve? When we asked CHROs to identify their top areas of focus based on the changing digital environment, about a third cite training and recruiting as priorities. While hiring remains an important mechanism to address the skills issue, CHROs note that because the required skills change at a rapid rate, it’s difficult to keep pace through hiring alone. Instead, they must strike a balance: while 41 percent of respondents aim to hire digitally skilled talent, 37 percent expect to train employees in emerging technologies.

An emphasis on continuous learning was a significant differentiator between the Reinventor CHROs and their peers. Seventy-two percent of Reinventor CHROs are pursuing it today, compared to just 57 percent of Practitioners and 40 percent of Aspirationalists. This may partly explain why 70 percent of Reinventors are confident that they already have the right people and skills in place, versus 53 percent of Practitioners and 30 percent of Aspirationalists.

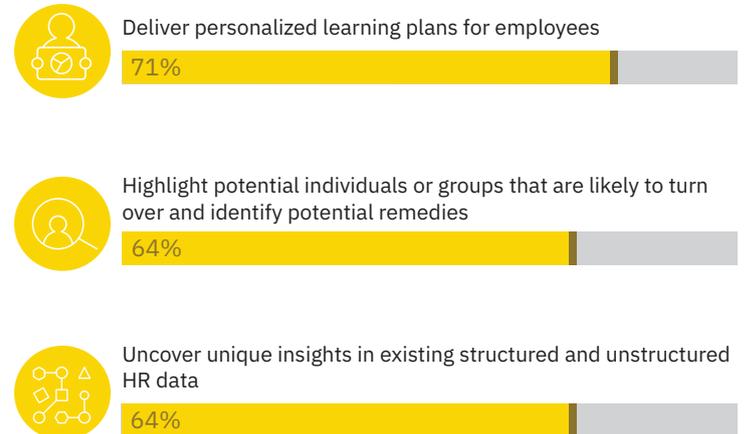
More informal modes of learning are often not adequately addressed either. Today, to our surprise, only one-half of CHROs say their organizations actively support and promote knowledge sharing across the business. Here again, Reinventors are leading the way, with 71 percent citing this priority.

Which way to the future? Despite the somewhat sluggish pace of action to date, HR executives have envisioned a way to rapidly close the skills gap — personalized learning. In fact, 71 percent of CHROs value this capability over any other (see Figure 7).

Figure 7

## Personalized learning tops the list

Three capabilities for the future



*Q. How valuable would these capabilities be to your enterprise in the next 2–3 years? (five options ranged from not at all valuable to extremely valuable)*

While the benefits of individualized learning are well documented, the mass personalization of training programs is tricky for a number of reasons.<sup>11</sup> Today, learners are consumers first and have high expectations when it comes to selection, access and delivery options for their training and development. Content relevance is also critical to engage learners. Enterprises must find ways to curate the right content for each employee.

Today, 34 percent of surveyed CHROs have personalized learning in place, but that number could more than double in just a few years, with 71 percent of CHROs rating personalized learning experiences as highly valuable for the future. CHROs from Reinventor organizations agree — while nearly half have already begun to implement personalized learning, more than 80 percent value this as a future capability.

In a previous IBM Institute for Business Value study, HR leaders cited AI as a critical enabler of skills transformation.<sup>12</sup> To be sure, AI/cognitive systems can facilitate personalized learning. Because these systems are able to understand unstructured information at speed and scale, they can rapidly and comprehensively source and

organize the most up-to-date learning content for employees. Other features of cognitive systems, such as natural language processing, are implemented to create more intuitive interfaces, including chatbots and free-form Q & A.

Ultimately, the biggest challenges CHROs could confront in creating mass personalized learning experiences may be similar to those faced by Chief Marketing Officers (CMOs) in designing a personalized customer experience. Personalized learning should be dynamic, continuously aligning and realigning with employee personal objectives, as well as employer needs.

The same kind of analytics and technologies required to uncover and understand individual customer needs and respond with precision will come into play here, so CHROs would benefit from new partnerships with their CMO peers. Co-creating and learning from CMOs' advanced capabilities in building channels and content will assist in planning for learning and skill development.

Finally, recognizing the speed of change to skills and content, CHROs should explore a broad approach to partnerships that fulfills the potential of personalized learning.

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# Make way for change

## HR steps into the future

HR has been a function in transition for decades — from its post-war roots as the steward of workforce planning and lifetime employment, to its mid-90s shift toward outside hiring practices and business-owned compensation strategies, to its recent transformation toward becoming a strategic business partner.<sup>13</sup>

HR has navigated these twists and turns over time, but now businesses are experiencing such a rapid succession of shifts that it constitutes a wave of continuous change and transformation. Under these challenging new conditions, CHROs will need to keep close to their partners in the C-suite and boldly change what HR does and how it does it.

The good news is that most CHROs are getting ready to take on wholesale change: 61 percent identified six or more functional capabilities that they plan to tackle in the next few years. But where to begin? What are the priorities for change that will enable CHROs to successfully re-imagine HR in support of the overall business transformation?

In this chapter, we explore some HR programs that are primed for reinvention (see Figure 8), and we look at how CHROs are using real-time data and adopting agile practices to enable a rapid transformation.

For example, CHROs identify the need to re-examine how employees are measured and given feedback as the number one area for change. This makes sense as organizations move toward more agile practices across the enterprise. Annual, one-size-fits-all performance appraisals no longer fit the bill in an environment where employees might move between several teams and projects, and report to various managers in the course of a single year.

Figure 8

## Looking ahead

Top areas for HR changes in the next 2-3 years



*Q. In response to changes in the competitive environment, to what extent will your HR organization be making changes to the abilities listed above in the next 2–3 years? (to a large extent)*

CHROs who have begun transforming performance appraisals often focus their efforts on establishing continuous, personal and active dialogue with their workforce. One example of a company leading the way is Regeneron Pharmaceuticals, a fast-growing biotech company. Here, the organization recognized that because segments of the business operated in unique ways, often with very different metrics and time frames, performance processes should be tailored to the needs and preferences of each group, with each program emphasizing continual dialogue and feedback mechanisms.<sup>14</sup>

“We have many initiatives underway to transform HR. Our top three include fostering an ongoing performance-based coaching culture, recognizing the ‘whole employee’ at work, and reinforcing key drivers of employee engagement.”

Amy Best, Chief Human Resources Officer, Exelon, United States

“It is just as important to have in place the right people as the right technology. Together, these factors establish a strong foundation for delivering excellent and consistent experiences to our customers.”

Chief Executive Officer, Telecommunications, Switzerland

Given the competitive global talent market and rapidly changing requirements for skills and capabilities, HR leaders would do well to develop a new perspective on strategic workforce planning. Deriving insight generated by real-time data from new sources across the enterprise is a key step in creating a nimbler, more proactive approach. Modern workforce planning tools enable managers and HR to anticipate business requirements. They can also help balance the needs of the employee with the needs of the organization.

In some cases, it’s not a matter of reinventing legacy programs, but creating them from scratch. One such area is employee data and privacy. Close to two-thirds of CHROs identified this issue as a priority for change in the near future. Consider the recent introduction of the European Union’s General Data Protection Regulation (GDPR): employee data is surely already on CHRO radars.<sup>15</sup>

Even for organizations not directly impacted by the new rules, the GDPR is a sign of things to come. Employers should begin to examine their workforce data practices. CHROs, as vigilant custodians of employee information, must be central to this task. Engaging in dialogue with their employees on privacy issues can help organizations understand and proactively address concerns and expectations.

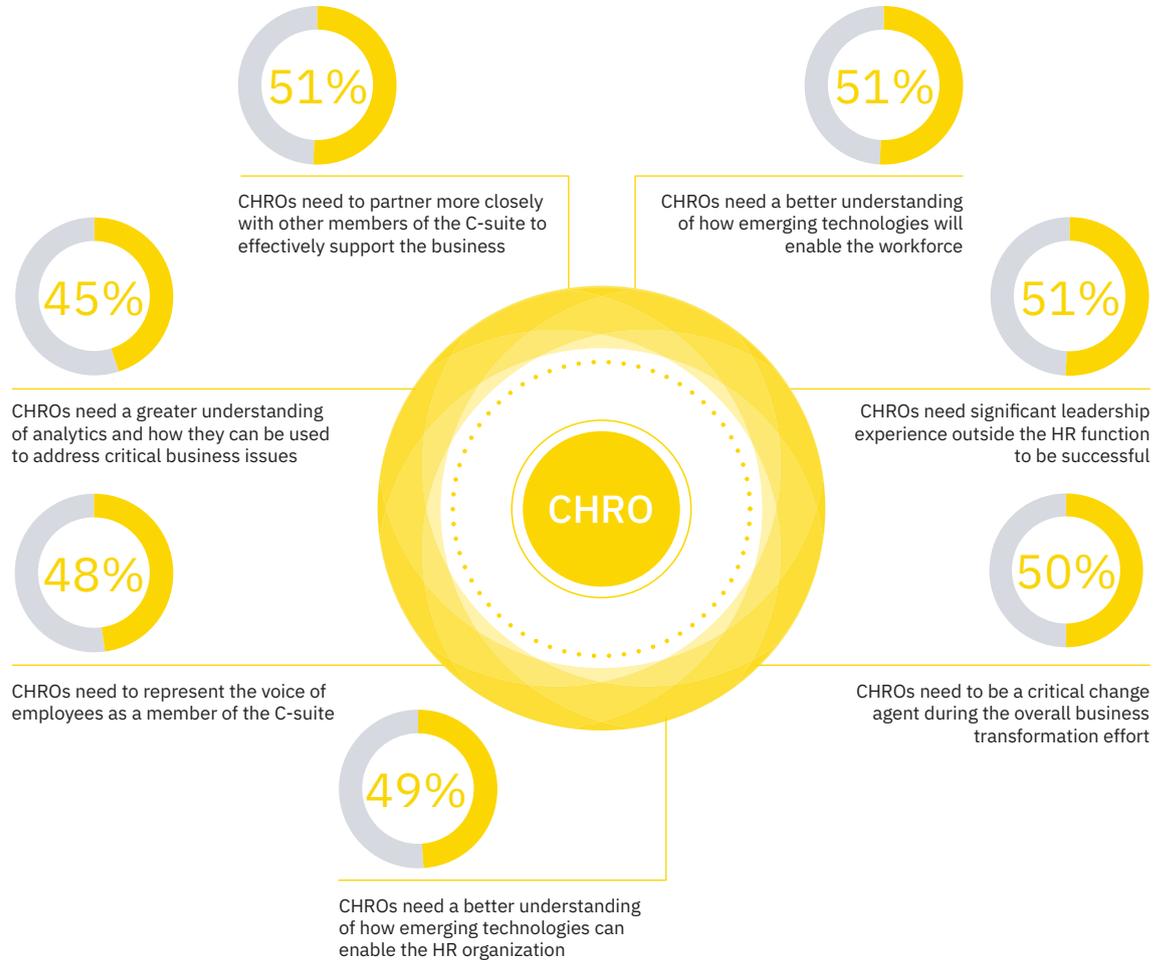
When thinking what their own roles might be a few years from now, CHROs agree that their mandates need to expand. Too few are taking ownership of opportunities to do just that. For example, despite their goals to change organizational culture and better understand what motivates employees as humans, only 48 percent say they need to represent the voice of the employee in the C-suite (see Figure 9). Equally troubling, only one-half of CHROs see themselves as a critical change agent in organizational transformation.

So how can CHROs step forward to help reinvent the enterprise—and their function? See page 21 for actions to take now.

Figure 9

# The transforming CHRO

Room to evolve the role



Q. To what extent do you agree with the statements listed above? (agree to a large extent)

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# Your HR future starts here

## Actions to take now

Our research shows that only 28 percent of CHROs expect their enterprise to address changing workforce demographics with new strategies. However, this creates an incredible opportunity for roughly seventy percent of CHROs to take bold steps to foster reinvention and help ensure talent flourishes across the enterprise. CHROs, this is your time. Here are some actions you can take now.

Use extreme rigor to foster an open culture:

- *Listen for impact.* Design for the optimal employee experience. Continuously listen to your people. Culture is designed.
- *Dare to experiment.* Keep your strategies current. Test multiple pilots designed for fast failure or success. Remember: organizations are as individual as their employees.
- *Mind the gap.* Stay in sync with the CEO and other C-suite executives on all things talent. Collaborate on objectives. Figure out how to measure results as a leadership team.

Make learning personal and perpetual:

- *Turn to tech.* Embrace analytics and AI/cognitive technologies to respond to individual needs. Curate highly personalized learning experiences.
- *Design for the moment.* Elicit feedback, coach and mentor all the time. Help teams work agile and co-create. Course-correct systems and programs in real time.
- *Go for gold.* Envision success. Create an environment where everyone can be a top performer. Develop the education and skills to get there.

Write new rules for HR:

- *Out with the old.* Re-imagine every HR program. Automate processes. Re-skill your HR team. Commit to change.
- *Become a change maker.* Initiate business transformation projects. Assume a leadership role. Be a catalyst for reinvention.
- *Lead with data.* Data is everything. Have foundational data you can trust, and use it to uncover new insights. Rapid transformation depends on it.



Is your organization empowered to execute on bold HR strategies? Or are you limited to incremental changes?



Are you challenged by inadequate investments in the foundational systems that enable enterprise change?



Do you have so many competing objectives that people skills don't make the list of top priorities in your organization?

## Notes and sources

- 1 “Incumbents Strike Back: Insights from the Global C-suite Study.” IBM Institute for Business Value. February 2018. <http://www.ibm.com/globalcsuitestudy>
- 2 “Plotting the platform payoff: The Chief Executive Officer perspective.” IBM Institute for Business Value. May 2018. <https://www.ibm.com/services/insights/c-suite-study/ceo>
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