Five questions CEOs should be asking CHROs

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It is said employees are a company's biggest asset. They are often also its largest cost and greatest potential liability. Given the pivotal role employees play in business success, business leaders should be constantly asking HR leaders how to increase the strategic impact of their workforce. Sadly, this is not the case in many companies. And one reason is because business leaders may not know the right questions to ask.

Many business leaders think of HR as a bureaucratic function. If these leaders talk to HR at all, it is about administrative issues or personnel problems. These leaders do not ask HR leaders strategic questions because they do not realize HR has strategic solutions. Rather than trying to educate leaders on the strategic capabilities of HR, a more direct approach is to encourage them to ask HR more strategic questions. The following are five categories of questions that business leaders should be asking HR. These are not the only questions relevant to HR, but they are areas where HR can have a massive impact on a company's strategy execution.

- 1. Are we building the right organizational structure for now and the future? Do we have the right roles and are we staffing them from the right talent pools? Are we positioned to quickly scale the size of our company up or down in response to changing business needs, labor market fluctuations, new technologies, acquisitions, market expansions, or increased use of contingent labor? And perhaps most important of all, are we thinking beyond the traditional "org chart" view of what a company is?
- **2.** Are we creating a productive, compelling work experience? Do people have access to the knowledge, tools, and relationships they need to be successful in their jobs? Does the work experience we provide convey the culture and reputation needed to attract and retain talent drawn from a rapidly changing workforce? Are we actively measuring and managing the critical <u>factors that drive an effective employee experience</u>?
- **3.** Are we engaging employees around the company's core vision and purpose? Do people have a strong sense of ownership toward their work? Are they focused, energized and committed to doing what is needed to make the company successful? Can we quickly communicate changes in strategy and direction so employees at all levels understand what it means for their jobs and careers? Are we managing for long-term adaptability and not just emphasizing short-term productivity?
- **4. Are we making good talent management decisions?** Are we maximizing the return on investment we get from money spent to hire, pay, reward develop, and retain people? Are we creating the kind of leaders and skilled employees we need for the future? <u>Are we effectively identifying and managing critical talent</u> that will have a disproportionate impact on the success of the company?
- **5.** Are we supporting the basic human needs of our workforce? Are we creating an environment where employees can manage the challenges of work and life in a healthy, productive, and sustainable manner? Are we instilling a culture of inclusion that fully leverages the talents of an increasingly diverse workforce? Are providing employees with a <u>supportive workplace</u> that enables them to approach change as an opportunity for growth?

How a company answers these questions depends in part on HR methods, but these are not questions about HR. They are questions critical to managing a business in a rapidly changing world. They are also tied to problems that are never truly solved. No matter what a company is doing in each of these areas, it is never good enough. Methods that were okay in the past will quickly become insufficient in the future due to changes in technology, business demands, and workforce expectations.

These are questions every CEO should ask their CHRO on a regular basis. The longer they wait to ask the questions the worse the answers tend to become. It is up to HR leaders to educate and encourage leaders on the importance of asking these questions. And it is critical that HR leaders be equipped with the knowledge and solutions needed to provide effective answers.