INDEX

Abilities. See Competencies
Accountability: for decisions, 84, 85, 87–88, 90; demanded by CEOs, 160, 166; as principle for HR leaders, 19–20; and recovery from scandal, 103; for results, required of leaders, 66, 299; for talent demand, 81
Advisors: to CEO, 123–124; strategic, 8, 41, 42–45
Age, of CHROs, 290
Agenda: evaluating and refining, 226; for first ninety days, 245; setting, in first 100 days, 220–222, 225–226
Allen, R., 163
American Express, talent management system at, 76, 77–78, 81
Antoine, R. L., 1, 7, 32
Armani, 250
Assignment planning, 36–37
AT&T, 237–238, 239
Axelrod, B., 3, 11, 71, 82
Bagley, J., 10, 279, 296
Banwart, S., 8, 57
Barr, K., 51
Battles: avoiding personal in, 150–151; guidelines on lighting, 148–150
Becker, G. S., 301, 302
Board of directors, 171–182; chair of, as constituency of CHRO, 121–122; CHRO as liaison to, 42, 43, 50–52; CHRO as resource and counsel for, 24–25; CHRO as strategic partner with, 187–191; CHRO role with, 9–10; support given by CHRO to, 184–187; tips on working with, 181–182; understanding role of, 28. See also Compensation committee (“comp committee’’)
Bock, L., 49
Boeing, 87
Bolden, J., 66
Boudreau, J. W., 1, 8, 10, 83, 85, 87, 91, 92, 184, 188, 190, 191, 192, 198, 246, 248, 250, 251, 256
Brand, CHRO’s personal, 31, 147–148
Brand, company’s ambassador for, 24; transferring, into culture, 276
Brannigan, M., 164, 167
Breen, E., 100, 106
Burke, S., 213, 219
Business knowledge: about executive compensation, 199–201, 203–205, 210; desired in HR professionals, 277–278; how to obtain when in new job, 241–242; needed by CHRO, 213, 215, 216–218, 224; overview of necessary, 296–298; as priority, 29; strategic, from talent management perspective, 280–281
Business leader, CHRO as, 24–26, 29
Business models: business partner/center of excellence, 251–255; new, and design of HR function, 247–250; required knowledge about, 297
Business partner, CHRO as, 26–27, 280–281
Business partner/center of excellence model, design of HR function in, 251–255
Capabilities. See Competencies
Career paths, of CHROs, 285–286, 292–295
Index

Carrig, K., 10, 213, 298
Cascio, W. F., 91, 92
Caterpillar Inc., 57–70; background information on, 57; critical success factors (CSFs) at, 58–60; impact of leadership on employee engagement at, 62–67; Our Values in Action of, 58, 67–70; results of new strategy at, 61–62; strategic plan developed at, 58–60

Center for Advanced Human Resource Studies (CAHRS), 40, 41. See also Cornell/CAHRS Survey of Chief Human Resource Officers

Centralization, of employee support, 234–235

Change, competence in making, 278

Chief executive officers (CEOs): abilities needed to work with, 131–135; actions for building relationship with, 138–143; capabilities desired in CHROs by, 280–285; CHRO as advisor to, 123–124; CHRO’s sense of purpose and relationship with, 135–136; as constituency of CHRO, 120–121; example of confronting, 149–150; expectations of, of CHRO, 139–140; helping, avoid trouble, 134; lack of HR expertise in, 189–190; meeting/falling below CHRO’s expectations, 156–159; as pressure on CHRO, 6; range of support for HR by, 159–166; strategic support needed from CHRO by, 271–274; taking a hit for, 135; time CHRO spends with, 155–156; traps to avoid in relationship with, 143–145

Chief financial officers (CFOs), board meeting attendance by, 184, 187

Chief human resource officers (CHROs): art/science of being, 24–31; career paths of, 285–286, 292–295; characteristics of successful, 214; considerations before accepting job as, 238–240; demographic characteristics of, 289–292, 295; importance of role of, 1, 146–147; necessity of merging roles of, 52–53; personal brand of, 147–148; putting organization ahead of personal, 135, 150; sources of pressures on, 5–7; tips for success in new job as, 241–245; trends affecting evolution of role of, 2–4, 40; without HR background, 213. See also Constituencies of CHRO

Coaching: CHRO responsibility for, 37–39, 41, 43, 46–48; personal, to increase executive compensation expertise, 201; time CHRO spends, 156

Colleagues: balancing time with, 28–29; building relationships with, 242

Comcast Corporation, 213, 217, 218, 219–220, 220–221

Commitment: delivering on, 141; as value at Caterpillar, 58, 69–70

Communication: with CEO and senior executives, 142; CEO’s expectations of, 140; between CHRO and directors, 182; of core values, 96

Company, CHRO as representative of, 24, 42, 43

Company culture. See Organizational culture

Compensation. See Executive compensation; Pay system, changing

Compensation committee (“comp committee”): building credibility with, 198–199; charter of, 173; as constituency of CHRO, 122–123; consultants to, 177–178, 200–201, 206–207; context for working with, 172; expectations of members of, 178–179, 207–208; getting to know members of, 174–175; importance of disclosure to, 175–176, 179; lessons from mistakes made with, 179–181; roles and responsibilities of members of, 176–178; tips on working with, 206–210

Compensation discussion and analysis (CD&A), 175–176, 179, 194–195, 199

Competencies: desired in CHROs by CEOs, 280–285; desired in HR professionals, 277–278; as element of talent management system, 35–36; needed for work with CEOs, 131–135
Competition: as pressure on CHRO, 5–6; for talent, 3, 6
Confrontations: avoiding personal in, 150–151; courage required for, 38–39, 150; guidelines on initiating, 148–150
Conger, J. A., 186, 191
Constituencies of CHRO, 119–129; board chair as, 121–122; board of directors’ comp committee as, 122–123; CEO as, 120–121; customers as, 127; employees as, 125–127; HR team as, 124–125; senior management as, 123–124; shareholders as, 128
Core values, 94–96
Cornell/CAHRS Survey of Chief Human Resource Officers, 40–53, 155–167; on CEOs as HR leaders, 159–166; on CHRO career paths, 292–295; conclusions from, 52–53; on demographic characteristics of CHROs, 289–292, 295; questions on CEO meeting CHRO’s expectations, 156–159; research methodology, 41, 288–289; on roles of CHRO, 41–52; on time CHROs spend with CEOs, 155–156
Corporate Executive Board, 228, 236
Courage: desired in CHRO, 283–284; required for CHRO role, 38–39; required to advocate for employees, 154; required to confront unethical behavior, 150; self-knowledge as basis of, 301
Cox, L. K., 8, 9, 46, 53, 71, 155, 300
Credibility: desired in HR professionals, 277; how to establish, 218–220, 224–225
Crisis management, at Tyco, 99–106
Critical success factors (CSFs), at Caterpillar, 58–60
Crucible roles, 36
Culture. See Organizational culture
Customers: CHRO’s understanding of, 274–275; as constituency of CHRO, 127; government as, 110–111
Davis, M. L., 8, 93
Decision making: misconceptions about HR-related, 90–91; support for, in HR function design, 250–251
Design of HR function, 246–256; in business partner/center of excellence model, 251–255; decision support in, 250–251; in matrix organizations, 247–248; in synergy-driven organizations, 248–250; trends influencing, 246
Devanna, A., 2, 11
Disclosure, in CD&A section of proxy, 175–176, 179, 194–195
Disney, 249–250
Dodd-Frank Financial Reform and Consumer Protection Act (of 2010), 4
Domestic partners, 152
Drucker, P., 112, 215
Educational background, of CHROs, 291–292, 295
Employee Free Choice Act, 114
Employees: centralizing support to, in multinational companies, 234–235; CEOs as champions of, 163–164; CHRO as advocate for, 27, 42, 43, 154; as constituency of CHRO, 125–126; impact of leadership on engagement of, 62–67; importance of development of, 17; listening to, 126, 217, 219; morale of, and recovery from crisis at Tyco, 102–103
Employment value proposition (EVP), 93–94
Enron, 3
Ethics: CHRO responsibilities for, 32–35; code of, at Tyco, 103; courage required to confront lapses of, 38–39, 150; enforcing violations of, 34–35
Excellence, as value at Caterpillar, 58, 68
Executive compensation: basic questions for designing, 194–197; consultants on, 177–178, 200–201, 206–207; future public policies on, 112; how to increase expertise on,
Executive compensation: (continued)

199–201; importance of CHRO’s expertise on, 203–205, 210; potential problem aspects of, 197–198; public focus on, 6, 197; shareholder “say on pay” resolutions on, 128; support given to board on, 185, 186; tips on achieving success with, 205–210; as top priority facing CHRO, 50–51, 193. See also Compensation committee (“comp committee”)

Executive succession. See Succession planning

Executive team: ability to work with, 275; actions for building relationship with, 138–143; CEO’s leadership of, 161–163; CHRO’s role with, 8–9; managing dysfunctional dynamics of, 300; time CHRO spends with, 155–156. See also Chief executive officers (CEOs); Senior leaders

Expectations: board members’, about executive compensation, 178–9, 207–208; CEO’s, of CHRO, 139–140; CHRO’s, of CEO, 156–159. See also Constituencies of CHRO

Experience, relationship between judgment and, 18

FAACT principles, to guide HR leaders, 18–21

Fairbairn, U. O., 9–10, 203

Federal legislation: Dodd-Frank Act, 4; health care reform act, 6; Sarbanes-Oxley Act, 4, 6, 40, 51; TARP, 4

Feedback: developing sources of, 243–244; giving, to senior leaders, 29, 161; soliciting, from CEO, 143; in Unilever performance management cycle, 266, 267; when coaching, 39; on work of compensation committee, 173

Figueroa, J., 48

Filler, E., 10, 271, 296

Financial capital, board’s concern with, 186–187

Finklea, D. A., 184, 186, 191, 192

Fombrun, C., 2, 11

Fundamentals, necessary skills in, 131–133

Galbraith, J., 10, 246, 256, 298

Gap, Inc., insights on CHRO role from HR leader at, 23–31

Gardner, J., 107

Gender: of CHROs, 290, 295; of oil and gas senior managers, 234

General Electric (GE), 75

Globalization: global thinking and acting required with, 29–30, 276; increased pressures on CHRO with, 5–6; transforming HR function to perform strategically with, 227–236

Goldratt, E. Y., 87, 92

Google, 49–50

Government: as customers and regulators, 110–112; future issues involving HR and, 112–115; increased regulation by, 109–110; increasing HR role in doing business with, 107; shaping policies of, 107–109. See also Federal legislation

Graddick-Weir, M. M., 10, 48, 237, 296

Growth, HR to support vision of, 263–267, 268

Handfield-Jones, H., 3, 11, 71, 82

Hanway, E., 162

Harter, J., 65, 70

Hay Group, 65, 70

Health care: act reforming, 6; future public policies on, 113

Hewitt Associates, 161, 167

Hoarding talent, 73–74

HR. See Human resources (HR)

HR function: CHRO as leader of, 42, 43, 48–50; leading, as pressure on CHRO, 7, as “personnel,” 257; to support growth vision, 263–267, 268; to support restructuring, 257–263, 267–268. See also Design of HR function

HR leaders: competencies desired in, 277–278; FA ACT principles for guiding, 18–21; insights on CHRO role from, at Gap, 23–31; as strategic partners, 3–4; views of, at IBM, 15–22

HR Policy Association (HRPA), 108, 193

HR team: building, 242–243; choosing right, 299; CHRO as leader of,
27–28; as constituency of CHRO, 124–125; getting to know, 139; integration of, 255; “taking bullet” for, 150
Human capital: board’s lack of concern with, 186–187; evolution of concept of, 301–302
Human Resource Champions (Ulrich), 2
Human resources (HR): board members with expertise in, 183–184; CEOs as champions of, 164; CHRO as leader for profession of, 25–26; desired participation “at the table” by, 272; increased government regulation facing, 109–110; misconceptions about decision making related to, 90–91; predictive analytics as future of, 21–22; service emphasis in, 84–86; transforming, to perform globally, 227–236; trends in, affecting CHRO role, 2–4; Ulrich’s model of operating structure of, 3–4. See also Retooling HR; entries beginning with “HR”
IBM: business model of, 247, 248; decision support in HR function design at, 251; views of HR leader at, 15–22
Incrementalism of talent, 74
Innovation: aggressive, as principle for HR leaders, 19; creating atmosphere of, 17–18; need for continuous, 16–17
Integrity, as value at Caterpillar, 58, 67–68
Intel, 250
Intellectual property leverage model, 249–250
Judgment, relationship between experience and, 18
Kates, A., 10, 246, 253, 256, 298
Kimmet, P. O., 9, 137
Knowledge: about executive compensation, 199–201, 203–205, 210; about leadership, 298–299; about people, 299–300; functional, as principle for HR leaders, 19; of self, 300–302; types of, needed by CHROs, 296–302. See also Business knowledge
Kozlowski, D., 103
Lalor, A., 44
Larson, S., 66
Lawler, E. E. III, 9, 83, 85, 92, 183, 184, 186, 188, 190, 191, 192
Lay, K., 3
Leadership: decisive and accountable, by CEOs, 166; impact of, on employee engagement, 62–67; principled, by CEOs, 165–166; required knowledge about, 298–299. See also HR leaders; Senior leaders
Learning, continuous, 20
Lisser, E., 164, 167
Listening: to employees, 126, 217, 219; when first in CHRO position, 119–120, 222, 223
MacDonald, J. R., 7, 15
Management, of global HR function, 231–235
Matrix organizations, HR function design in, 247–248
McKinnon, P., 1
Measurement. See Metrics
Merck, experience of new CHRO at, 237–245
Metrics: for CHROs to supply to boards, 189–190; importance of, for results, 15; measuring success of CHRO, 286–287; predictive analytics as, 21–22
Michaels, E., 3, 11, 71, 82
Mistakes, taking responsibility for, 18
Mitchell, H., 10, 227, 298
Multinational companies, creating global HR function in, 227–236
Murabito, J., 162
Nestlé, 247
Network, building personal, 30
Networking, with other CHROs, 31
Ninety-day plan, 245. See also Agenda
Northrop Grumman, 110
Oberhelman, D., 59–60
Ogg, S., 10, 257, 298
Index

Oil and gas industry, global HR system in, 227–236
Organizational culture: ability to manage, 278; CHRO’s role with, 26–27, 93–98, 284–285; compatibility of, with your style and values, 238–239; core values and, 94–96; defined, 97; focused on performance, 265–267; importance of understanding, 215, 217; transferring company’s brand into, 276; workplace and, 96–97
Outsourcing, 49, 261–262
Owens, J., 58, 60, 62, 63
Pace, D. A., 1, 9, 119, 299
Participation, desired by HR, 272
Pay system, changing, 100, 102, 104. See also Executive compensation
Pensions, future public policies on, 113–114
People: as critical success factor at Caterpillar, 60; as ends vs. means, 301–302; liking vs. valuing, 301; policies and procedures related to, 25; required knowledge about, 299–300
PepsiCo, 75
Performance, organizational culture focused on, 265–267
Performance tolerance logic, 86–88
Personal life, taking time for, 30–31
Personnel and compensation committee. See Compensation committee ("comp committee")
Philips, 247
Policies: CHRO as leader of governance for people-related, 25; CHRO "taking bullet" for, 150. See also Public policies
Pollard, C. W., 301
Priorities: advice on, of HR leaders, 15, 22; balancing competing, 244; being a business executive as, 29; necessary knowledge of, 133–134; top, facing CHROs, 193
Procter & Gamble, 247
Professional organizations, 145, 201
Public policies: CHRO role in shaping, 107–109; future HR-related, 112–115
Purpose, sense of, 135–136
Qualcomm, 250
Quick wins, 219, 222, 223, 225, 243
Race, of CHROs, 291, 295
Ralph Lauren, 250
Ramstad, P. M., 85, 87, 92, 188, 191, 250, 256
Reddy, R., 89, 92
Relationships: building, to establish credibility, 218–219; building, with colleagues, 242; as key to winning battles, 150–151. See also Constituencies of CHRO
Restructuring, HR to support, 257–263, 267–268
Results, importance of measurable, 15
Retirement security, future public policies on, 113–114
Retooling HR, 83–92; by addressing misconceptions that limit HR decisions, 90–91; by applying inventory and supply chain logic to talent sourcing, 88–90; to avoid service emphasis, 84–86; better targeting as method for, 83–84; performance tolerance logic as principle for, 86–88; recommended actions for, 92. See also Talent management
Return on intangibles (ROI), 21–22
Risk assessment, 185, 186
Risk taking, 18, 132–154
Roberts, B., 217, 219
Roberts, R., 217, 219
Rosner, B., 9, 171
Rules, unwritten, 134
Sage-Gavin, E., 7, 23
Sarbanes-Oxley Act, 4, 6, 40, 51
Sartain, E., 1, 9, 146, 301
Scandals: affecting CHRO role, 3–4; recovering from, at Tyco, 99–106
Scenario planning, 76–78
Securities and Exchange Commission (SEC): and CD&A section of proxy, 175–176, 179, 194–195; and
compensation committee, 122; and shareholders, 128
Self-knowledge, 300–302
Self-service, in global HR system, 233–235
Senior leaders: attending board meetings, 184; and compensation committee, 176–177; as constituency of CHRO, 123–124; giving feedback to, 29, 161. See also Chief executive officers (CEOs); Executive team
Shareholders: CHRO’s involvement with, 275–276; as constituency of CHRO, 128
Shell, global HR system at, 227–236
Siegel, L., 8, 51, 99
Skills. See Competencies
Solutions provider model, at IBM, 248
Staffing, accountability for decisions about, 88–90
Stewart, M., 7, 10, 40, 288
Strategic advisor, CHRO as, 8, 41, 42–45
Strategic architect, CHRO as, 278
Strategic partner, CHRO as, with board, 187–191
Strategic plan, at Caterpillar, 58–60
Strategy: increasing involvement of HR in, 2; questions to prepare CHRO for thinking about, 274–277
Success: critical success factors (CSFs) at Caterpillar, 58–60; derailers of, 223; how to obtain, in first 100 days, 213–226; indicators of HR, 222, 226; measurements of, of CHRO, 286–287
Success drivers, 35–36
Succession planning: for CHRO position, 285–286, 293–294; as element of talent management system, 37; HR supporting board on, 185, 186, 187, 190; leadership in, 63–64, 125; as responsibility of compensation committee, 173
Support: centralized, for employees of multinational companies, 234–235; for organizational culture, 26–27, 93–98; for restructuring, 256–263; strategic, needed by CEO, 271–274; for vision of growth, 263–267, 268
Surveys: on leadership’s impact on employee engagement, 65–66; on priorities facing CHROs, 193. See also Cornell/CAHRS Survey of Chief Human Resource Officers
Synergies, and HR function design, 248–250
Sysco, 219

Talent: central planning of deployment of, 73–75; CEOs as champions of, 159–161; CHRO as delivering global, 279–280, 287; CHRO as experts in managing and developing, 26; competition for, 3, 6; hoarding, 73–74; incrementalism of, 74; linking acquisition with development of, 79–81
Talent architect, CHRO as, 8, 45–46
Talent management: CHRO as responsible for, 35–37, 42, 43, 45–46; creating efficiency and competitive advantage, 281–282; in global oil and gas industry, 228–230; metrics related to, 189–190; as perspective of CHRO, 280–281. See also Retooling HR
Talent management system, 71–82; central deployment of talent in, 73–75; conflict/tension as integral to, 75–76; determining outcomes desired from, 71–73; elements of, 35; linking talent acquisition with talent development in, 79–81; scenario planning in, 76–78; steps for building, 73–81
Team building, 16, 22
Teams. See Executive team; HR team
Teamwork: as principle for HR leaders, 20–21; as value at Caterpillar, 58, 68–69
Tenure, of CHROs, 289–290, 295
Tharp, C. G., 10, 193
Tichy, N., 2, 11
Training: CHROs without HR, 285–6; on ethics, 33–34; for HR professionals at Shell, 230, 233
Troubled Assets Relief Program (TARP), 4
Trust: building reputation for, 16–17; CEO’s, in CHRO, 283;
Trust: (continued)
  demonstrating, to build relationship with CEO, 141–142; how to build, 218–220, 224–225
Tyco, 99–106; addressing employee morale at, 102–103; building new leadership team at, 101; changing pay system at, 100, 102; current HR role at, 105–106; ethics code at, 103; lessons from recovery from scandal at, 104–105
Ulrich, D., 2, 10, 11, 161, 271, 273, 278, 296
Ulrich, W., 273, 278
Unilever, 257–268; HR for impact at, 267–268; HR to support growth vision at, 263–267, 268; HR to support restructuring at, 257–263, 267–268
Values: Caterpillar’s “Values in Action,” 58, 67–70; compatibility of culture with your, 238–239; core, 94–96; employment value proposition (EVP), 95–94; knowledge of your, 300–301. See also Ethics
VF Corporation, 250
Vision: for company after crisis, 102, 104; growth, HR to support, 263–267, 268
Wagner, R., 65, 70
Walker, J., 2, 11
The War for Talent (Michaels, Handfield-Jones, and Axelrod), 3
Welch, J., 1, 11
Welch, S., 11
Winning (Welch), 1
Women: as CHROs, 290, 295; in oil and gas management, 234
Work experience, of CHROs, 292–295
Workforce: CHRO as sensor for, 42, 43; future public policies on, 114
Work-life balance, 30–31
Workplace: flexible, 96–97, 98, 234; future public policies on, 114
Wright, E. E., 9, 130, 299–300
Wright, P. M., 1, 7, 9, 10–11, 40, 155, 183, 192, 288, 296
Ziskin, I., 8, 45, 107