

Setting a New Direction for HR

In Conversation with Claire Thomas

By Claire Thomas, Alessandra Tosi, Cecilia Varzi

Every leader seems to be chasing an answer for what the “new normal” will look like. But as the pandemic wears on, uncertainty will likely remain a lingering constant for organizations. Possibly more so than for any other role, Chief Human Resources Officers have faced mounting pressure from their companies due to the increasing importance and complexity of their role. They’ve had to lead the transition to remote working, support employee wellbeing in a completely new setting, instill a sense of community and purpose across the organization, learn new digital tools and help shape corporate culture – all while still managing the core responsibilities of the function.

To understand how these executives have navigated this reality and what pathways they see ahead, Egon Zehnder recently hosted an online forum with over 50 Italian HR leaders and Egon Zehnder senior advisor Claire Thomas, who has nearly three decades of HR experience in global settings and most recently with GlaxoSmithKline. What follows are the key insights from the gathering.

Embracing Culture and Purpose

Right now, most HR leaders recognize the imperative for building new working models that are forward-looking rather than based on the past. Whatever this new

model may be, it will have to be anchored on two central priority areas: culture and purpose, as Claire Thomas outlines.

“There are two priorities for business as the pandemic wears on: culture and purpose. Human Resources leaders will play a major role in shaping and building them both.”

According to Thomas, HR leaders are expected to play a more prominent role in shaping and building a thriving corporate culture and instilling a sense of purpose among employees. Strategically, these pillars will be critical in fostering loyalty among customers and employees – unsurprisingly so, as the pandemic propelled most to rethink not only their careers but their expectations as customers as well. “Covid has definitively changed the rules of the game,” she reflects. “There is now a greater expectation on how an organization behaves towards its employees and external stakeholders, and this raises a strategic issue on reputation.” Managing people’s careers, needs and expectations was never easy, but the HR role is pivoting from a “responder” into a “strategist.” By helping set a roadmap for culture and purpose, the function will profoundly impact the entire organization.

Another challenge and opportunity for the HR function is technology transformation, with emerging data and digital tools playing a significant role in better understanding employees and their needs, Thomas points out. These tools can not only predict who is at risk of leaving the company, but also anticipate wellbeing issues, in addition to supporting the management of talent attraction and acquisition strategies.

Balancing Wellbeing and Performance

Another recurrent question for HR leaders is how to strike the right balance between wellbeing and the unavoidable focus on business goals. The pandemic imposed a historical challenge by suddenly forcing people out of the office and into remote work, which naturally raised concerns about productivity. But whilst short-term performance hasn’t necessarily suffered in the past years, HR leaders carried the challenge of addressing their employees’ wellbeing and mental health.

Unquestionably, during intensive remote working times, it has been difficult for everyone to draw and keep the line between private life and work. At the same time, hyper-connection and a lack of opportunities to “disconnect” can lead to burnout.

For this reason, managers now recognize wellbeing as a strategic organizational priority. “People care and performance are not in contradiction; they are, instead, in synergy,” Thomas says.

Building Credibility and Influence

“As CHROs in a challenging era, we need credibility and influence to lead effectively.”

In this challenging era, it is paramount that HR leaders are credible. This starts with them understanding the business deeply, including the market, customers, shareholders and competitors. Thomas points out that there’s no shortage of ideas when it comes to HR strategy; the key is understanding the current business context and having the judgment to know the right path and priorities for your business at any particular point in time. You will also then need the credibility and influence to take the organization with you. CHROs these days are expected to be public figures, able to engage and communicate authentically with the broader organization and the outside world.

Along with business knowledge, influence and good judgment, HR leaders also have to have the courage and resilience to champion progressive employee engagement initiatives against a backdrop of constant restructuring and cost saving.

Another crucial question Thomas points out is, who takes care of the HR function? “Sometimes we don’t practise what we preach.” she says. “As CHROs, we should also take care of our own function by investing in our development and capabilities for the future.”

Developing Stronger Adaptability and Caring

“How can leaders cope with uncertainty? You don’t need to have all the answers: authenticity, constant communication and transparency will help you navigate.”

One of the main takeaways from the gathering was that to thrive, HR professionals will need to adapt their skills and personal traits: “We are now pretty much in a storm. If you asked me what are the key traits of leadership to develop, I would say

adaptability. You don't have to have all the answers, but you need to have an open-minded attitude and an evolving capability to go through the storm," reflects Thomas.

HR was never easy. But the sudden changes that the pandemic generated require great determination to rewrite the rules of the function and truly make a positive impact on employees and business in equal measure. The HR function has a moral responsibility to ensure employees remain central to any business success, and supporting their hopes, needs, motivation and health has never been so critical.

Claire Thomas

Senior Advisor

Claire Thomas is a senior advisor with Egon Zehnder. She brings contemporary corporate PLC experience with 29 years' proven success as a senior leader in a complex, dynamic global environment, working with GlaxoSmithKline and previously Ford Motor Company. Claire was the Chief Human Resources Officer at GlaxoSmithKline from 2008 to 2019 working across diverse healthcare businesses including pharmaceuticals, vaccines and consumer in over 95 countries. Claire has led through enterprise-wide transformations involving global business development deals and multiple therapeutic, digital and functional capability builds. She has extensive expertise in Board and senior executive succession, executive assessment and development, cultural change and corporate governance which enabled her to be a trusted advisor to a multitude of Chairs, CEOs and Board members.

In addition to her role in Egon Zehnder, Claire is a senior advisor to Hakluyt & Co, a business management consultancy, and is a mentor for J&A Mentoring Partners. Claire was a non-executive director for the UK Government's Department of Energy and Climate Change. She has also won the European Business Woman of Achievement Award. Claire has a BSc in Economics from the University of Wales.

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Covid-19 Micro-Website

We have launched a micro-website where this and other informative pieces are posted. This site will be regularly updated: [click here](#) for further details.

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