



# The Changing Role of HR

*Organisations are looking for a HR Director who can contribute to long-term business success. Joëlle Warren, Executive Chairman of search firm Warren Partners, talks to Criticaleye about why HRDs need to influence and challenge strategy*

## Is the role of the HR Director changing?

It's not in all businesses but certainly in the more progressive ones we're seeing HRDs taking a more strategic role.

The expectation of HRDs is rising and they need to be proactively looking ahead at what the business is going to need in terms of its people and the cost related to that. Rather than just receiving business plans, high-performing HRDs are actually taking part in helping shape and challenge them.

## Can HRDs improve business performance?

Most businesses now have their HR Director on their executive committee because the other leaders know they've got a great contribution to make. I think the businesses that don't are really missing out.

You need to have the right people in place, with the right skills to deliver what the business needs to going forward. For example, if the company is entering a new

market it's essential to be clear about what that will entail from a people perspective.

## How can a HRD ensure they have the right skills?

In some circumstances, people who have not come up through the HR function are put into the HRD or Chief HR Officer role. The business can benefit from this in a number of ways: the 'non-HR' HRD will develop and broaden their skills, the evolution of the HR function ►

is usually significantly accelerated under the new leader and we consequently see the different parts of the business move closer together.

The downside to this development is that it is acknowledgement that there isn't the strategic or commercial know-how within the HR function.

I would encourage HR professionals to make sure they're positioning themselves well, so they've perhaps taken a secondment out of HR earlier in their career into a general management or commercial role. It will mean they have the skills to make a contribution to the business outside of their narrow area.

Ultimately, in the executive team, you need people who are commercially savvy and financially literate.

### What relationship should the HRD have with other senior executives?

It's essential the HRD has a close relationship with the CEO because talent is a vital part of any business.

When it comes to the chairman a lot of HRDs don't have access. However, if you've got a good HRD the Chairman will want to seek their counsel because they know they're bringing strategic thinking, that they understand the business and have vision.

If the HRD is able to add to the debate, then that's how they should be positioning themselves. They can't view themselves as a servant to the board, they need to actually contribute and challenge assumptions. I don't think enough HR directors are currently doing that.

**“** *In the executive team, you need people who are commercially savvy and financially literate* **”**

### How can the HRD evaluate the skills of the leadership team?

It's about addressing the capabilities of the individuals while looking at the interactions between team members. HRDs need to understand how to leverage the power of the team and how they work together, rather than just the collective of individuals.

It's a question of keeping the momentum going and making sure the team is self-aware and conscious of what each member brings to the party, which not only helps the team perform more strongly but helps with succession planning.

### On self-awareness, do you think emotional intelligence (EQ) is an important leadership skill?

Often when boards aren't working it's because there is a lack of EQ. It's absolutely a key element of what we're looking for in successful leaders and a fundamental part of building a team.

We are looking for leaders who are supportive, are prepared to develop others, facilitate group collaboration and foster mutual respect.

### What role should the HRD play when it comes to succession planning?

The board has responsibility for succession planning for the most senior positions. Although the HRD isn't usually sitting at the board table, when there's a strong HRD in place, the Chairman and CEO will make sure they contribute to the debate.

The HRD needs to help shape senior succession by influencing and advising the CEO and the Chairman. They should be able to provide data and insight to inform the thinking of the board.

### What does the future hold for HRDs?

HRDs need to be more far-sighted and be looking ahead proactively, rather than just responding to the day-to-day.

Businesses will be looking for HR functions that are better integrated into the wider business and populated by individuals who are able and willing to contribute across a broader range of commercial and people-centric topics. ■

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