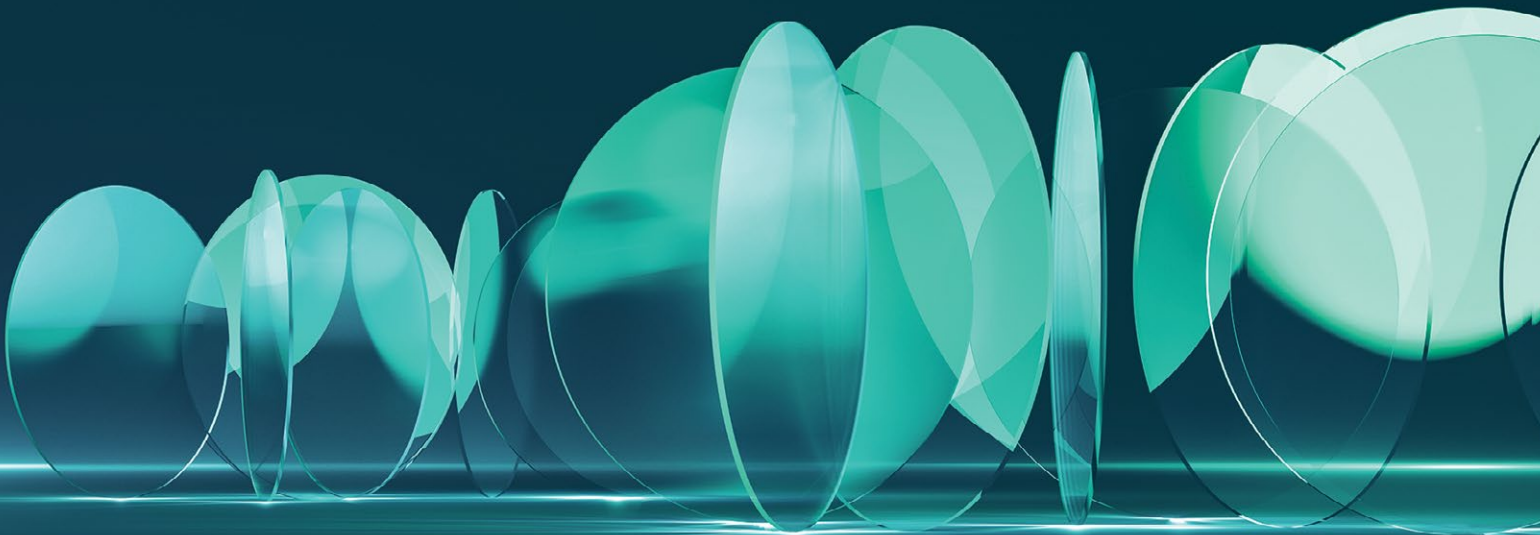


Summary of key discussions – the role of the CHRO in influencing and impacting organizational performance



“HR leaders must become experts in the science of human capital and the art of strategic decision-making, integrating data from diverse sources to drive organizational success.”

Boudreau, J.W., and Jesuthasan R

Introduction

Given the increased recognition of the value of human capital and people strategy it has never been a more exciting time to be an HR leader — but it has perhaps never been a more challenging time either. At Senovis, we have observed CHROs facing an increasingly wide range of challenges, from keeping up with the pace of technological change (and managing the risks and opportunities attached) to evolving skills ecosystems to enable transformation, from leading on ESG issues to supporting DE&I strategies to achieve real impact. All the while acting as the trusted confidant of the CEO and chair, becoming ever more involved with external stakeholder management and acting as a respected voice on strategy around the executive committee.

Great CHROs recognize that every challenge contains an opportunity. Coming together with peers, thought leaders and academics to share problems and debate solutions is an invaluable way of enabling HR leaders to confidently shape the future of people strategy. On 24 September, 35 of the industry's most eminent CHROs did just that at the Senovis inaugural Great Minds CHRO Gathering. With the help of Senovis's reach across a global network of academics and thought leaders, and carefully curated mix of speakers, roundtables and 2:1 curated sessions with academics, there was plenty to elevate strategic HR thinking to the next level and enable CHROs to step forward with stronger evidence-based HR strategies.

It was an inspiring event and in this briefing, we uncover some of the key learnings from the day and the questions it prompted for CHROs keen to take well informed strategic decisions and action.

Key take-aways

The key take-aways from the event were as follows:

- 1. Growth mindset as a business enabler:** Matthew Syed emphasized the importance of fostering a growth mindset in leadership to drive performance, unlock potential, and encourage innovation.
- 2. Cultural transformation:** Culture is increasingly seen as a quantifiable asset that influences business success, and CHROs must prioritize shaping cultures that enable growth and adaptability.
- 3. Diversity and psychological safety:** Syed advocated for cognitive diversity and creating psychological safety to improve agility and decision-making, highlighting their role in fostering innovation.
- 4. AI's evolving role in HR:** While AI is being used to widen talent pools, reduce bias, and automate tasks, there are still concerns about governance, risk, and the impact on digital inclusion.
- 5. Critical thinking and AI:** CHROs need to prioritize critical thinking in the workforce, as the increasing use of AI requires employees to evaluate and manage technology effectively.
- 6. DEE&I initiatives:** Leaders are reassessing the effectiveness of diversity strategies. Establishing the purpose or "north star" of DEE&I investment was identified as key and effective strategies such as reverse mentoring and the use of emotion to engage board members were highlighted.
- 7. Sustainability's integration into HR:** CHROs need to embed sustainability into their culture and business practices, with a particular focus on sustainable employment and aligning decision-making with values and purpose.
- 8. Future-proofing the workforce:** CHROs must prioritize adaptability, critical thinking, and scenario planning to prepare for future disruptions, considering new expectations from multigenerational teams.
- 9. CHRO capabilities:** HR leaders need to develop Pi-shaped skills (HR expertise, coaching, strategizing, and horizon-scanning) to drive strategic transformation and ensure long-term success in a dynamic environment.
- 10. AI adoption challenges:** The biggest barriers to adopting AI in HR are cost and a lack of expertise, with governance and risk management being key concerns when implementing AI tools.

Overview

In today's complex and rapidly evolving business landscape, the role of the Chief Human Resources Officer (CHRO) has never been more critical. The challenges they face are multifaceted, spanning from the integration of advanced technologies like artificial intelligence (AI) to meeting heightened expectations around diversity, equality, equity, and inclusion (DEE&I). As businesses navigate these complexities, CHROs are increasingly required to act as both strategic leaders and cultural architects, ensuring that their organizations are not only competitive but also resilient and purpose-driven.

An area where CHROs can achieve a competitive edge is via the adoption of a growth mindset, which has been shown to unlock performance potential at all levels. This cultural shift is necessary as organizations adapt to digital transformation and economic disruption. Research from the World Economic Forum highlights the need for reskilling over 50% of the global workforce by 2025, placing pressure on CHROs to foster environments where continuous learning and adaptability are prioritized. The traditional focus on simply identifying talent is no longer sufficient; HR leaders must cultivate the kind of organizational culture that promotes agility and innovation.

At the same time, the increasing prevalence of AI and its transformative impact on business operations is forcing CHROs to reevaluate their approaches to talent management. AI has tremendous potential to improve efficiencies and reduce biases in recruitment and employee engagement, yet many organizations remain hesitant to fully embrace these technologies. Deloitte's 2023 Global Human Capital Trends report underscores this hesitation, noting that while AI is expected to significantly impact business strategies, only a fraction of companies feel adequately prepared to manage its associated risks. As AI continues to advance, CHROs will need to balance technological adoption with strong governance frameworks, ensuring that AI tools are used ethically and inclusively.

Another priority for CHROs is embedding DEE&I strategies that go beyond surface-level diversity metrics. In March 2024, the UK government's Panel for Inclusion Report revealed that most organizations still lack evidence-based approaches to DEE&I, with a significant gap between ambition and impact. This is a critical concern for HR leaders, who must drive meaningful change while addressing emerging areas like socio-economic diversity and neurodiversity. The increasing scrutiny from stakeholders on corporate diversity practices means that

DEE&I is no longer a "nice-to-have" but a business imperative directly linked to organizational reputation and performance.

Sustainability is another key consideration for HR, as businesses seek to align their strategies with environmental, social, and governance (ESG) goals. Sustainability is now recognized as an essential driver of long-term success, with HR playing a central role in promoting sustainable work practices and addressing skills gaps. The shift toward sustainable employment models - where employees are continually reskilled and supported - demands that CHROs embed sustainability into the very fabric of their organizations. According to a recent ERM report, many companies have continued to prioritize sustainability, recognizing that strong ESG performance is likely to increase resilience and support long-term profitability.

In addition to these challenges, the need to future-proof the workforce is paramount. The rapid pace of change in both technology and employee expectations means that HR leaders must develop strategies to build adaptable, resilient teams. McKinsey's 2023 report on the future of work highlights a significant skill gap, with many organizations feeling unprepared for upcoming disruptions. CHROs are now tasked with ensuring their organizations can pivot quickly and remain competitive by focusing on skills such as critical thinking, adaptability, and resilience.

As these trends converge, the CHRO's role has expanded beyond traditional HR responsibilities. To drive real strategic impact, HR leaders must elevate their own capabilities, embracing systems thinking and cross-functional leadership. Today's CHROs are expected to not only support business transformations but to lead them, positioning their organizations for success in an increasingly uncertain and dynamic world.

The Senovis Gathering brought renowned experts and CHROs together to respond to and debate the above challenges: a true gathering of "Great Minds".

Key themes from the event

Matthew Syed: How to unlock potential to drive performance in an ever-changing environment

In an ever-changing business environment, HR leaders need to be driving high performance to ensure the survival and success of their organizations. HR has a critical role to play in unlocking potential in individuals and teams at all levels, enabling innovation and agility. But to do so, CHROs must be able to win hearts and minds, unlocking unhelpful and fixed leadership mindsets.

To explore this fascinating area, leading speaker and author on high performance - Matthew Syed kicked off the day with an engaging and thought-provoking talk on performance, potential and the power of cognitive difference.

- **Growth mindset as a critical business enabler:** Syed shared his research on the importance of growth versus fixed mindset, as the key for enabling high performance in a complex and fast-changing business environment. In today's world, simply finding talent is not enough, leaders need to be more thoughtful about what they do with that talent. Syed cited research that shows people with growth mindset are more curious, more proactive, better at engaging with diverse perspectives to plug gaps in their knowledge and better learners (particularly when learning from failure). Egotistical, fixed-mindset leaders can be blockers to change, innovation and ultimately business success and survival in a rapidly shifting environment.
- **Move from 'know it all' to 'learn it all':** Microsoft CEO Satya Nadella's focus on culture and growth mindset has been central to the tech firm's continued success, in Syed's opinion. He quoted Nadella, who he knows well, as saying: "When I became CEO, my number one objective was to change the culture from a fixed to a growth mindset." He has shifted Microsoft from a 'know it all' to a 'learn it all' culture, creating a cultural hunger to uncover, fix and learn from failures, creating greater customer-centricity and a drive to unlock value collectively.
- **Culture is a tangible asset-creator:** Syed reflected that "culture is no longer an ephemeral, nebulous mystery. It's a quantifiable, cutting edge asset that can be measured and managed and sits at the heart of the teams and organizations that are going to thrive in the age we're living in today." To that end, his number one piece of advice for busy CHROs is to focus on culture and helping leaders recognize that culture is not a secondary issue, but in fact central to business outcomes.
- **Diversity is more than demography:** While demographic diversity is critical, Syed urged attendees to think about diversity through the lens of cognitive as well as demographic diversity. CHROs need to encourage and enable divergent thinking to unlock new value and leverage the collective intelligence of genuinely diverse groups. A lack of cognitive diversity can lead to organizational blindspots derailing progress.
- **Psychological safety increases agility:** In a world where speed can be everything, Syed challenged the concept that creating psychological safety and seeking differing opinions would slow businesses down, instead saying that taking the time to allow respectful dissent can actually speed things up. He encouraged CHROs to focus on creating genuine psychological safety, helping leaders to see that doing so is not incompatible with decision-making and can in fact lead to better decisions being taken. The concept of purpose, he said, is also central to how prepared people are to speak up: if people all have a common shared purpose, challenging comments are more likely to be seen as helpful in reaching the end goal.

Insights from a CHRO panel

Shaping work, human-centricity and AI

The world of work is changing at a phenomenal pace. The exponential increase in speed of development and ease of accessibility around AI, in particular Generative AI, will have a profound impact on how we all work. CHROs have a responsibility to engage meaningfully in this agenda, seeking to understand how AI will change roles, organizations, professions and the workforce at large. But despite the hype in this space, it's important to remember GenAI is just a tool. HR must ensure conversations about the future of work keep humans at their heart.

To debate this critical topic, our first panel brought together leading Chief Human Resource Officers to discuss how advances in AI are shaping work, chaired by Cranfield School of Management's Professor Emma Parry.

- **Finding AI use cases:** The panel shared how they are using AI within their HR functions and organizations more wisely. Examples included using AI to uncover talent and thus widen talent pools and reduce bias, using automation to lighten administrative loads, building internal 'ChatGPT' style systems to serve information using organizational data, and using AI tools to coach sales and customer service teams. Panelists reflected that despite the hype around the potential of AI, use has not yet scaled.
- **Governance and risk remain an issue:** 'Shadow AI' was raised as a risk, with smaller, start-up organizations that may not be as diligent about governance regulation potentially breaking data privacy rules. Several organizations had banned the use of ChatGPT, instead building safer internal systems. Attendees shared how overexcitement around AI can lead to different parts of the business requesting different tools, creating cost, procurement and data governance issues. Having strong AI governance and an AI steering committee can help centralize decision-making around AI investment.
- **Organizations must consider digital inclusion:** The risk of bias in AI decision-making is well known, but CHROs must consider other potential diversity risks too. For instance, as a male-dominated field, could hiring more AI specialists increase the gender pay gap in your organization? And what about digital exclusion? Lack of digital literacy means the playing field is not level — Professor Parry cited research that in 10 years' time 80% of the workforce will be underskilled in digital literacy.
- **Critical thinking is a core skill:** The rise of AI makes critical thinking a core future skill. The workforce needs to be able to critically evaluate technology and its outputs, given the tendency of ChatGPT and similar tools to 'hallucinate' information. As one panelist put it: "The technology is the easy part. We need to think about the information base it's drawing from, and the behaviors."
- **Building the foundations:** Improving the integrity of people data is easier said than done, but it's central to allow HR teams to leverage the potential of AI. With HR functions often the poor relation when it comes to investment in technology and working off a patchwork of systems, HR leaders must fix the foundations first before embarking on ambitious AI projects.
- **HR must take a leading role:** The scale of technological change ahead is too important to be left to the technologists. HR teams must play a leading role. After all, the introduction of AI is simply another transformation project. HR teams understand the need to win hearts and minds in any change programme, as well as bringing deep insight into the impact of digital change on job and organization design, and future career paths.

Pulse survey: How are CHROs engaging with AI?

According to a survey of attendees...

- 42% of organizations are not yet using AI within the employee lifecycle
- Of those organizations using AI, recruitment is the most common application, used by 60%
- The most common goal when using AI in HR is to reduce the administrative burden or reduce costs
- Two-thirds of organizations using AI in HR measure ROI, with cost and time as the key metrics being assessed
- The biggest challenges to adopting AI in HR are cost barriers and lack of AI expertise

CHRO roundtable discussions

Discussing live problems and opportunities with peers in a safe space can unlock valuable insights, as well as creating a powerful sense of community. Through three roundtable tracks, CHROs came together to share ideas on timely and critical areas of HR and business leadership.

The real impact of DEE&I initiatives discussion brought leaders together to debate whether current approaches are fit for purpose and how to measure the impact of interventions. The second track explored the critical role CHROs should play in ESG and sustainability, and how to make efforts here substantive rather than symbolic, while in our final topic CHROs shared how they are building resilient, flexible, and responsive workforces to face future disruptions.

Read on for some of the points raised, along with insights from Professor David Collings, Chair of Sustainable Business at Trinity Business School.

Roundtable 1: The real impact of DEE&I initiatives

- CHROs discussed the challenges of leading DEE&I in global organizations, particularly making it relevant to different countries and cultures and how to prioritize when newer areas of diversity, for instance socio-economic background and neurodiversity, continue to emerge.

- There were mixed views over whether targets around DEE&I are the right move. Of the CHROs in the roundtable, 60% had some form of targets in the organization, including embedding diversity metrics, both hard and soft, in LTIPs. Other organizations were moving away from a target-led approach.
- It was agreed that when it comes to making an impact in DEE&I, reverse mentoring schemes are highly effective, particularly around shifting leadership attitudes and behaviors. Other practical tips included bringing in the daughters of board members to discuss the importance of diversity, playing on leaders' emotions.
- Gender pay gap methodology remains flawed and doesn't necessarily lead to sustainable positive change. For example, deliberately hiring lower paid male apprentices at volume to lower your gender pay gap is surely not the right approach, even if it has a positive reputational impact on the gap.

Top tips from Professor David Collings:

1. Spend time on the purpose for investing in DEE&I. What is the north star driving investment? Clarity is critical to driving downstream activity and impact.
2. Too many organizations continue to track symptoms rather than causes of a lack of diversity, tracking numbers rather than drilling down into what is really happening.
3. There is plenty of academic evidence to suggest what actually works. For instance, evidence shows unconscious bias training doesn't work, yet organizations persist in offering it. What does work is having longer shortlists featuring more diverse candidates. CHROs should engage with evidence to improve practice.

CHRO roundtable discussions

Roundtable 2: Sustainability and the role of the CHRO

- Sustainability is highly contextual and means different things in different organizations. 'People' is not included as a pillar in every business's sustainability strategy. CHROs should consider how to include people in the strategy if it is not already there.
- Sustainability needs to be embedded into business as usual. Look at how it can be embedded in strategy, processes, goals, and governance.
- Success in this area is not about the CHRO or CSO holding sustainability within their portfolio, but rather the shifting attitudes and behaviors. CHROs should focus on integrating sustainability into culture.
- Sustainability involves trade-offs. Purpose should guide decision-making, particularly when making tough decisions.

Top tips from Professor David Collings:

1. HR has been late to the table from an ESG perspective, with the focus tending to be on the 'E' and 'G'. CHROs have a huge opportunity to lead on the 'S' agenda. Many of the UN's Sustainable Development Goals directly link to HR.
2. CHROs should consider sustainable work and employment. As economies and labor markets shift, how do we ensure people stay employable and have the opportunity to be re- and upskilled?
3. Values and purpose must guide decision-making. Success is that sustainability becomes embedded in culture.

CHRO roundtable discussions

Roundtable 3: Future-proofing the workforce in the age of disruption

- What disruptions are coming next, and how will they feed into people and business strategies? CHROs need to prioritize finding the space and time to consider what forces could disrupt their organization next and how to mitigate them. Create more strategic thinking time with the CEO.
- Change is a constant. Should we instead be talking about 'transformation as usual', and shifting how we do things accordingly?
- Employee expectations continue to shift. Multigenerational teams require different engagement and change management approaches.
- Key future skillsets include adaptability, critical thinking, and resilience. Leaders must be willing to pivot and get past the fear of failure, which can slow down organizational agility.

Top tips from Professor David Collings:

1. Use scenario planning to think about what's ahead. Engaging with external perspectives and information sources is critical to inform horizon scanning, as well as having a diverse leadership team.
2. CHROs must constantly assess skills and capabilities. The pace of change in skills is faster than it has ever been, and this requires HR leaders to reevaluate how their organizations approach skills.
3. We need to jump in without knowing what the destination is, learning fast and iterating. What's got us here will not get us where we need to go next.

The problems - and opportunities - facing CHROs today

When asked to share current problem and opportunity statements, some clear themes emerged.

Problem Statements:

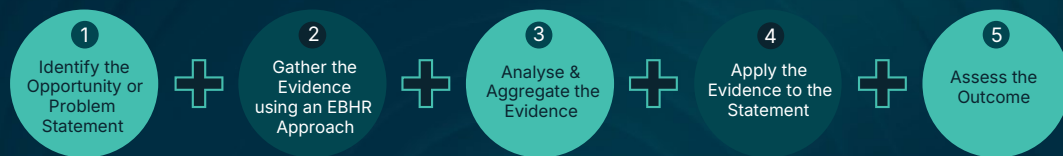
- Embedding DE&I
- Navigating sociopolitical complexity
- Talent identification at senior level and succession planning
- Enabling leadership flexibility and agility
- Driving cultural change, often against a backdrop of integration

- Identifying appropriate uses and the impact of AI
- Maintaining engagement and wellbeing while driving performance - at pace
- Gaining clarity around sustainability governance

Opportunity Statements:

- Leveraging the power of AI and technology
- Getting more creative around talent and development
- Improving leader confidence around building psychological safety

Applying Evidence Based HR – Senovis Model



Organizational Data:

- employee performance metrics
- turnover rates
- engagement surveys
- performance data,
- wellness metrics
- other relevant HR analytics

to identify trends and inform decisions.

INTERNAL

Stakeholder Values and Concerns:

Considering the needs, preferences, and feedback of

- employees
- managers
- executive committee
- other stakeholders

to ensure that HR policies are aligned with the organization's culture and goals.

Empirical Research & External Evidence:

- academic studies / papers
- external research reports
- research publications and articles
- external benchmarking data

Senovis
Insights

EXTERNAL

Professional Expertise:

The knowledge and experience of

- A. CHROs / Peers &
- B. Leading Academics

providing insights into leading practices and the practical application of research findings in the workplace.

Senovis
Peer Connect

Panel discussion: Elevating CHRO capabilities

Shaping future organizational success in a volatile and challenging business environment requires CHROs to take an honest look at their own capabilities. Are they really able to cultivate strategic ability, in tune with industry trends and staying one step ahead of future disruptions, while ensuring their HR function delivers genuine impact to the business? What made HR leaders successful in the past may not continue to do so, and HR leaders must create the space to stay on top of their own development. Doing this brings not only individual but organizational benefits.

Our closing panel featured perspectives from a leading CHRO and an academic, exploring how HR leaders can elevate their capabilities to contribute maximum value and impact in a dynamic business landscape.

- **CHROs must bring the outside in:** The sheer range of potential disruptors businesses need to be aware of requires the CHRO to play a leading horizon-scanning role, engaging with multiple stakeholders and sources of external information to create a picture of the future. While not every CHRO will be able to find the 30% of time that one influential CHRO claims to spend on personal development, every little helps.
- **Develop your systems thinking skills:** Being able to work across ecosystems and recognize complex interdependencies is key to success in HR leadership. Taking an OD approach can help provide clarity through complexity.
- **The CHRO as coach:** Great HR leaders have always been excellent coaches with sophisticated consulting skills, and today these skills matter more than ever. With a recognition that culture and leadership are drivers of successful transformation, the CEO is far more likely to see the CHRO as their number one confidant.
- **From T-shaped to Pi shaped:** T-shaped skills are old news, CHROs need to develop Pi-shaped skills: core functional and operational HR as one leg, coaching and strategizing skills as the second, with an important space in the middle for developing external understanding and horizon-scanning.
- **Forget linear logic:** Linear models of strategic management have become outdated as leaders are no longer working in predictable environments. Instead, leaders need to be able to cope with complex ecosystems and understand interdependencies. Leaders need to ask themselves three simple questions: how do we create value for our customers; what organizational capabilities are required to deliver that value; do we have the people strategy in place to deliver?
- **HR must drive strategic transformation:** Too many HR functions have boxed themselves into the role of 'strategic implementer'. To play a leading role, they must understand strategy development has shifted; strategy is no longer solely developed in the boardroom but, more often, close to the customer and it needs to be far more agile and dynamic.

Questions for CHROs to ask now

1. How do I create the space for horizon scanning, and what external sources do I need to engage with to ensure I am bringing the outside-in to inform future organizational and people strategies, as well as futureproofing my workforce?
2. How do I ensure HR is playing a driving role in strategic transformation, including technology and AI adoption and its impact on the organization, rather than being stuck in the role of 'strategy implementer'?
3. Do I, my HR teams and fellow leaders have the growth mindset we need to ensure we are agile and innovative enough to survive and thrive in a complex and rapidly changing business landscape?

Conclusion

The inaugural Great Minds CHRO Gathering, curated by Senovis, successfully provided a platform for CHROs to engage in candid and meaningful discussions on the most pressing challenges they face today. The event not only highlighted key themes such as fostering a growth mindset, navigating the integration of AI, and the importance of evidence-based DEE&I strategies, but also brought these topics to life through peer-to-peer learning and expert insights. By fostering a collaborative environment, Senovis enabled CHROs to gain fresh perspectives on how to drive cultural change, ensure workforce adaptability, and align business strategies with ESG goals.

The event laid a strong foundation for ongoing dialogue and peer engagement, demonstrating the value of Senovis as a trusted partner in facilitating future discussions.

Attendees were able to openly share their challenges and strategies, benefiting from the collective wisdom in the room and the structured format that encouraged both strategic foresight and practical takeaways. As the business environment continues to evolve at a rapid pace, this gathering and other associated events proves invaluable in helping HR leaders prepare for the future and navigate the complexities of their roles.

With the growing need for HR to take the lead in areas such as AI governance, talent development, and sustainability, events like this one are critical for CHROs to stay ahead of emerging trends and challenges. A dynamic forum for peer-to-peer interaction can be a valuable asset in shaping effective future HR strategy, enabling CHROs to thrive in an increasingly complex business landscape.

Senovis provides CHROs with a uniquely tailored single source platform of evidence-based content and peer to peer connectivity enabling CHROs to further influence and impact organisational performance.

Links to the reports mentioned in the overview:

[The Future of Jobs Report 2023 | World Economic Forum \(weforum.org\)](#)

[Deloitte 2023 Global Human Capital Trends report | About Deloitte | Deloitte New Zealand](#)

[Report on the Inclusion at Work Panel's recommendations for improving diversity and inclusion \(D&I\) practice in the workplace - GOV.UK \(www.gov.uk\)](#)

[The Ongoing Evolution of Sustainable Business: 2023 Trends Report \(erm.com\)](#)

[The Skills Revolution and the Future of Learning and Earning](#)

