# Survival of the Fittest

How C-suite roles are evolving — and what it means for top teams

# PART FIVE | The CHRO



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Strategist, business partner, right hand of the CEO and coach to the C-suite. Spearheading an agenda that is now central to organizational success: building a great place to work based on a compelling vision, sustainable purpose and vibrant culture. The future for the CHRO looks bright as the evolutionary process unfolds. But progress is still uneven.

In this series Amrop dives into the evolution in C-suite roles and considers the composition of the optimal Leadership Team For What's Next. Based on the insights of senior Amrop Partners from across the world and Amrop's global data set, we examine five roles: the CEO, the CFO, the COO, the CHRO and the CIO.

In this article we ask: what will the CHRO For What's Next look like? What factors determine the survival of the fittest?



### **Key Questions**

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How has the human role domain evolved over the past 10 years?

What are the growing responsibilities for CHROs? Given this, how healthy is the domain's current state of evolution?

How are the relationships between the CHRO and other C-suite roles evolving?  $\left(4\right)$ 

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Is there a case for more specialist C-suite roles in the human domain?

Given all of this, how can organizations ensure they hire the fittest CHRO For What's Next?

In this article we examine the evolution of the CHRO.



# Survival of the Fittest | Topline Messages

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#### CHRO concerns have migrated to the core of the corporate agenda.

Culture, values, a sustainable strategy and vision — factors once considered soft are fast becoming the foundations of a successful business. The fittest CHROs are pivotal in moving the organization from good to great.



#### It is time to raise the bar for all CHROs.

Organizational strategy will fail without the right people to implement it. Unsurprisingly, CHROs who are well-rounded business partners are in demand. But some are more athletic than others, who remain disconnected from the bigger picture of the organization.



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#### The CHRO belongs in the C-suite, alongside the CEO.

The CHRO is increasingly the right arm of the CEO in culture-building, talent attraction, retention, diversity and inclusion. He or she is coaching CXOs to address the leadership implications of shifts such as organizational fluidity and DE&I. Some CHRO candidates refuse roles that do not report to the CEO.

### The CIO/CHRO collaboration is critical.

Firstly, talent strategy must embrace the implications of digitization on components of the business, or the whole business model. Secondly, CHROs must reckon with the automation of talent management processes. But executive candidates mistrust AI and the regulatory pressure is on. CHROs will not only need access to technical smarts, but wisdom and purpose.

#### A great place to work is no longer a nice-to-have.

It is connected to culture, values, and sustainable business performance. Organizations must be a community of people, rather than a group of staff — an imperative fostered by the whole management team and orchestrated by the CHRO.



### The CHRO's role scope is widening.

A great place to work means building new elements into today's talent profile: diverse, intergenerational, inspirational leadership, new work relationship models that emphasize output above attendance, managing the implications of fluidity and agility in a hybrid workplace. Purpose-driven leadership sets the true north.

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### Whilst new roles are emerging in the human domain, pragmatism is essential.

Multiple HR roles may signal an under-performing culture or management team. Whilst wellbeing, happiness and DE&I may need to be distinctive sub-species at the current time they do not belong to the C-suite and will likely re-absorb into the business landscape as organizations evolve to embrace the imperatives they represent.



### The career path to CHRO is widening, with CEO as a potential destination.

Whilst some organizations will still hire for technical skills, compensation and benefits, talent attraction and retention, ever more are seeking business-oriented CHROs who have cycled through the HR domain as part of a wider development track. Given this, the CHRO may well be a future candidate for CEO.

## Evolution

CHRO concerns have migrated to the core of the corporate agenda: culture, values, a sustainable strategy and mission. It is time to raise the bar for the human resources domain if its leading executive is to take their rightful place in the C-suite. Collaborations with the CEO and CIO are critical, with purpose-driven leadership providing a holistic perspective and sense of direction.



# CHRO concerns have migrated to the core of the corporate agenda

"The top layer has to encompass a strong culture, values and a sustainable strategy and vision," says one Amrop Managing Partner. "And that's going to be key for whatever you do. Be it composing your management team, your workforce planning and so forth, all of that has to serve this purpose and these principles."

Today's fittest organizations know that organizational success rests upon human shoulders and for them, talent attraction and retention is more important than ever. Furthermore, purpose, ethical values, principles and culture play a vital role in attracting and retaining today's C-suite (and other) executives. They are overriding considerations for 90% in deciding whether to join an organization<sup>1</sup>, more than market position or geographical footprint. A disconnect with their own mission, vision, values or ethics is cited by around 40% of executives as a reason to leave an organization.

Culture, values, a sustainable strategy and vision — factors that were once considered soft have today become the foundations of a successful business. And the CHRO is pivotal in fostering and securing them.

#### The stakes are rising

An Amrop Board Member cites a company in the toy industry. "We started working with them as a 100-million-dollar business, who many years later went public as a billion-dollar business. They were looking for a Head of HR. We helped them to appoint an executive from a major bank, and she has been phenomenal in bringing her HR mindset to what they need to do. She's been instrumental in helping change the culture and driving this business to its next iteration as a public company."

An Amrop Managing Partner recently supported an organization in their quest for both a new CEO and CHRO. "They wanted to transform because they were sitting on millions of consumers in the world." As a B2B consumer product company, they sought a shift to a B2C organization. But there was a problem — they had no direct links with end users: "They didn't know who these consumers were." The CHRO helped the company to distill two new business imperatives: to be simultaneously consumer- and employee-centric. "To help them grow, build more prosperity, succeed and be happy." The Head of HR has been phenomenal in bringing her HR mindset to what they need to do. She's been instrumental in helping change the culture and what driving this business to its next iteration as a public company.



<sup>1</sup> 'The Amrop Talent Observatory', (2021), Amrop.

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It takes a CHRO to be a true business partner, to think strategically, to not only appreciate the kind of individuals that you need to deliver the strategy of the firm, but to engage the CEO, board and C-suite around what it's going to take to bring in the necessary people."



#### Some say the CHRO role has evolved

Shining examples aside, has the HR role really grown in importance? "Yes, for sure," says this Amrop Partner. "Five to ten years ago there was a discussion as to whether HR or 'People' should be on the executive agenda or whether it was more of a compliance, contractual, legal discussion. Many times we saw CHRO role positions put under the CFO. We rarely see that anymore."

The Amrop Board Member explains: "You might have the best strategy but unless you have the right people who can implement it's all for nothing. It takes a CHRO to be a true business partner, to think strategically, to not only appreciate the kind of individuals that you need to deliver the strategy of the firm, but to engage the CEO, board and C-suite around what it's going to take to bring in the necessary people. CHROs are much more strategic than they've ever had to be."

#### Others see room for improvement

But for one Amrop Managing Partner, the human domain still has a mountain to climb, and the reason lies with both HR practitioners and their senior colleagues: "It hasn't really evolved, that's the problem. There has not been a sufficient amount of integration and strategic learning. He sees an analogy with marketing and football, "everybody thinks they know HR, and that's the issue, because they don't, and you can see that on non-executive boards. You rarely have true expertise at non-executive board level, so you don't have that sparring partner for the CHRO role."

Why is this? "CHROs are still busy with payroll, hiring and admin, and there may be some succession planning, but they do it all in the traditional way." Increasingly vital organizational facets such as culture, sustainability and vision are often undercooked: "Usually not within the realms of ability of these people. It has to change."

Indeed, the bar is set higher than ever, says another Amrop Managing Partner, and it is proving difficult to reach. "Not only setting the rules and managing the HR policy, but helping set the right culture, transforming the old, antiquated culture to the new. But it's not easy.

"I wouldn't say it's a clear trend, but I have seen some front runners doing really well. Invariably wearing the business hat — very strategic. This is "transformational HR."

What should the ultimate mission of the CHRO be? "The CHRO would help the company to move from good to great. It's such an important role but unfortunately many companies are undermining it, some administrative people perform it. The best HR roles are helping the owner or the CEO to attract, develop and retain."

At this stage, however, "80 to 90 per cent of HR officers are administrators." Only the minority are "very strategic and business minded, who think about culture, realization, bringing talent to the top, how to differentiate the company as employers."



### Right arm of the CEO

The CHRO/CEO relationship is important for an increasing number of organizations. As we saw in another Amrop article<sup>2</sup>, this is one of the 'binomes' the C-suite team needs to cultivate. "Some of the most successful companies have a strong relationship between the CEO and the CHRO, the CEO and the CFO, and the CEO and the COO," says one Amrop Board Member. "Those three are absolutely critical to the success of the leadership team and of the CEO."

The high-performing CHRO is "a well-rounded business partner who can truly complement a CEO," he says. This symbiosis has implications for the CHRO development track (more of which, later). "Someone who has grown up with just one discipline is probably not well rounded enough to be the CHRO of the future. If you truly want to be the right arm of the CEO from the people perspective, who the rest of the C-suite can relate to, your experiences need to have embodied other elements to make you a better-rounded businessperson first, one who brings the people mindset to everything that you're doing. It is a deep generalist, with gravitas and credibility."

An Amrop Partner confirms that in terms of critical items such as diversity and inclusion "the CHRO has a huge agenda, typically delegated from the CEO, for executing on the policies of the organization, keeping it in line in generating an inclusive environment of freedom of thought, of being."

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### Hand in hand with the CIO

But the relationship with the CEO is not the only key collaboration for the CHRO. An Amrop digital specialist sees the Chief Information Officer as working closely with the CFO, CEO — and CHRO: "for sure at the highest level of the organization. If technology is becoming more and more important it should move from the executive leadership team to the board."

The CIO/CHRO collaboration is twofold:

Firstly, talent strategy must embrace digitization in individual components of a business, or in changing the whole business model. This is even more the case for organizations who are transforming to digital service providers. We explore this further in 'Survival of the Fittest: the CIO (2024)'.

Secondly, the collaboration concerns the automation of talent management processes, once the most human of all organizational activities. Today, AI is joining the hiring team. "Many Fortune 500 companies employ AI-based solutions to weed through the millions of job applications the companies receive every year." <sup>3</sup>.

No forward-looking CHRO can ignore the time and cost-saving benefits of AI at the candidate-entry end of the recruitment funnel. And the sophistication and reach of AI are growing as machines progress from content analytics (such as CV scanning), to more interactive processes (such as real time candidate interviewing and assessment). AI is also widely used in internal talent management processes. Employee evaluation is one example (not only retrospective, but attempting to assess potential, 'predicting' future behaviors or performance). Compensation-setting is another.

<sup>2</sup> 'Survival of the Fittest: Ecosystem', (2024), Amrop.

<sup>3</sup> Walk-Morris, T., 'These are the flaws of AI in hiring and how to tackle them', (2022), The World Economic Forum.



But the problems are stacking up. A global Amrop study<sup>4</sup> revealed that whilst around half of senior executives would trust an AI to *specifically* assess their technical skills and knowledge or scan their CV, only around 15% *generally* trust it to intervene in their recruitment process. And when it comes to more sophisticated, interactive processes, 20% fully mistrust the tech. In particular, Amrop recommends caution in using AI in interviewing: around half of executives would seriously mistrust a machine to conduct the dialogue.

Inevitably, the technology is also facing regulatory scrutiny. As raised in a previous Amrop article in this series<sup>5</sup> "An AI may have serious difficulty explaining how its results were derived, turning the algorithm into a black box." There are also deepening concerns about fairness: "amplifying bias and discriminatory practices without anyone noticing at first," as the WEF recently reported.<sup>6</sup>

# CHRO and AI: Finding the true north in the neural network

Al use will require holistic leadership. More than cognitively smart or reasonable, today's fittest CHROs must be wise, purposeful and responsible. This means taking decisions in a way that transcends bias and embraces ambiguity and complexity. The wise CHRO acts in a pragmatic yet context-sensitive way, adopting a broader socio-ethical and environmental perspective. The best not only comply with regulatory guidance, but aim for moral excellence<sup>7</sup> 'beyond the letter of the law, to the spirit of the law.'

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<sup>4</sup> 'The Amrop Talent Observatory', (2021), Amrop.

- <sup>5</sup> 'Survival of the Fittest: the COO' (2024), Amrop.
- <sup>6</sup> Walk-Morris, T., 'These are the flaws of AI in hiring and how to tackle them', (2022), The World Economic Forum.
- <sup>7</sup> 'Wise Decision-Making: Stepping Up to Sustainable Business Performance' (2018), Amrop.



#### AI and hiring: The net is tightening

The Information Commissioner's Office in the UK (ICO) recently updated its guidance on AI and data protection to support organizations' adoption of new technologies while protecting people and vulnerable groups.<sup>8</sup>

It provides a refreshed examination of the accountability and governance implications of AI, ensuring transparency and lawfulness, accuracy and fairness.

It lists the legal provisions companies need to consider, algorithmic fairness, bias and discrimination. It also sets out the potentially negative impacts of AI-building such as "underlying assumptions, abstractions used to model a problem, the selection of target variables or the tendency to over-rely on quantifiable proxies."

The ICO specifically raises the use of AI in recruitment as a reason for its guidance. This provides a methodology to audit AI applications for fairness, legality and transparency, assessing and managing the risks to rights and freedoms, and supports the body's investigations into organizational compliance. The document advises organizations on interpreting data protection law as applied to AI. But whilst companies will not be penalized if they sidetrack the recommendations, they must "find another way to comply with the law." The ICO has also updated its guidance on explaining AI decisions to individuals in collaboration with the Alan Turing Institute.

In the US, in a climate of over-reliance on AI to "substantially assist or replace discretionary decision making for making employment decisions that impact natural persons," the New York City Department of Consumer and Worker Protection (DCWP) recently adopted final regulation on automated employment decision tools (AEDT) in hiring. Hiring organizations and recruitment firms must now subject tools to bias audits and notify employees and candidates of their use.

"The final rules include a number of changes to earlier versions, including expanding the scope of "machine learning, statistical modeling, data analytics, or artificial intelligence," modifying bias audit standards, and clarifying information that must be disclosed," according to the National Law Review.<sup>9</sup>

<sup>8</sup> 'Guidance on AI and Data Protection', (2023), The Information Commissioner's Office.

<sup>9</sup> Francis, Simon R.D., Zagger, Z.V., 'New York City Adopts Final Rules on Automated Decision-making Tools, AI in Hiring' (March 10, 2024), National Law Review, Volume XIV, No. 70.



### The CHRO as C-suite coach

This Amrop Partner views the CHRO as an agent of behavior change within the C-suite itself. "I'm seeing some CHROs taking a coaching role in relation to the rest of the leadership team. So that more individual development and coaching of peers and even the CEO often lies with them as well."

In what areas does he see CHROs coaching their C-suite peers? The cultural impact of remote work, knowledge dissemination, training and development, employer branding and talent attraction are now "incredibly relevant," he says. He is particularly concerned about leadership communication in today's diverse and inclusive workplace. Despite the best of intentions, "some traditional top leaders may tend to communicate in archaic terms in a way that may not be totally appropriate, relying on old anecdotes, not really understanding or using the right language."

Loosely engineered organizational architecture is giving rise to another coaching theme: adapting to a world where leadership is less structurally defined: "An agile organization with team leads and scrum masters and all sorts of different titles necessitates teaching leaders how to behave in that space — how to drive leadership."

#### An apex species?

Even if CHROs are still rather discrete presences in some organizations, it is high time for them to fully emerge from the shadows and occupy a central place in the C-suite ecosystem. As one Amrop Partner observes,<sup>10</sup> few businesses will fail to include HR on the top team going forward. "The companies where HR remains a box-ticking, or a legal, contractual, payroll exercise — those days are gone."

For organizations who want to keep their top team slim, the human domain needs prioritizing. It is as important as finance, he says, even if this means excluding other CXOs: "The CHRO and probably the CFO are the only two that are definite. If you don't have the finances and you don't have the people you don't have the company, so it's quite simple in many ways."

The representation of CHROs in the leadership team is higher in some geographies than in others, our interviews reveal. "It still varies by region," this Amrop Board Member reflects. "And some of what goes on in those regions and whether a company is multinational or not certainly would play in as well." In the North American region, for example: "I've seen several situations where a CHRO has just been significantly elevated in profile and importance and contribution."

What of reporting lines? "They are now reporting to the CEO and a natural part of the top leadership team. It is indeed much more strategic: the people agenda definitely warrants the CHRO being at that level."

C-suite designers take note: your future CHRO may well know their own worth. "Some candidates we've approached on HR roles say, "*if it doesn't report directly to the CEO, I have no interest*", and they're absolutely right. The HR role has to report directly to the CEO. It deserves a seat at the C-suite table. It has a significant contribution to make, and I think it's critical."

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<sup>10</sup> 'Survival of the Fittest: Ecoystem', (2024), Amrop.



## Scope

A great place to work makes the difference between a group of staff and an engaged community. It must be fostered by the whole management team and orchestrated by the CHRO. It demands diverse, inter-generational, inspirational leadership and a fluid workplace. The ambiguity of the loose organization is a further motivation for purpose-driven leadership, sense and direction.



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If you have a community really believing in the firm and the employer, then you have won. That needs to be fostered by the whole management team and orchestrated by the CHRO."

### Building a great place to work

"Ultimately, employer branding is one of the key things going forward," says this Amrop Managing Partner. "A great place to work is connected to culture, values and sustainability, and success of course is connected to that.

"If your senior management team and CHRO are unable to build that great place to work, you will fail. So that's the total focus: a community of people rather than just 'staff'. If you have a community really believing in the firm and the employer, then you have won. That needs to be fostered by the whole management team and orchestrated by the CHRO."

An Amrop Partner concurs: "Obviously, employer branding and how you attract talent are still incredibly relevant. What is it you're saying? How are you saying it? What are people looking for? And that's what you need to make sure the organization can encompass. And if you're far away from that, how does that work?"

Another Amrop Partner adds: "HR and the CEO play a key role in creating the employer of choice and this includes flexible work arrangements." He notes a shift from hours observably spent behind a desk, to being "much more output and success driven."

What happens if all these initiatives fall by the wayside? An Amrop Managing Partner backs up the findings of Amrop's research<sup>11</sup> — sub-par organizations will continue to lose the best people to smaller equivalents where they can make more impact; sustainable organizations with "better values, a more reliable culture."

Another Amrop Managing Partner sees a more insidious problem. Without a visible and compelling culture, an organization is reduced to a series of short-lived transactions with a procession of disengaged new entrants: "Many executives join the wrong company without knowing the culture on a contractor basis to help solve a problem."

He also warns against reducing profound talent management matters to superficial data sets: "My interviewees often talk about employee satisfaction ratings, engagement ratings, these kinds of things. It's mostly about HR people copying HR people. They do the surveys, and they are happy." And as the failings of AI quantifiables become clearer, so too do the limits of these occasional 'spot checks'.





<sup>11</sup> 'The Amrop Talent Observatory', (2021), Amrop.

### Purposeful leadership

One answer to winning the talent war (and federating a new generation of employees who no longer feel married to the firm) lies in building a magnetic *raison d'être* for the organization.

"Part of that is purpose-driven leadership; how to engage people differently," says this Amrop Board Member. "All too often, companies don't pay enough attention to the disruption caused by people leaving and constantly on the spinning wheel of replacing them. It's not just about the costs of an executive search firm, it's the integration of people into the organization, the onboarding, and what has to take place in the first few years. And if you don't get it right, you're constantly churning through people. Too many organizations still do that."

Derived from its extensive groundwork on wise decision-making, Amrop proposes a holistic approach that balances a leader's individual, socioenvironmental, and business purpose. Purposeful leadership is associated with five competencies and mindsets: vision, courage, integrity and authenticity, learning, empathy and accountability.





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#### Going with the flow

An Amrop Partner highlights the changing nature of organizational architecture: not only do CHRO's need to oversee shifts towards greater agility and fluidity, they must also address their effects on people. And these are not always positive.

"Even though we say, "it's great, agile, with these loose organizational definitions", many people actually find them fragile and hard to navigate. They're comfortable knowing 'I report to this person' 'this is our defined space' 'this is my box'." The ability to not only tolerate fluid ambiguity but to actively cultivate plasticity has recruitment and development implications. Not only for employees but for their leaders.

There are similar HR implications for "everything related to remote work and what that does to an organization in terms of culture, how leaders communicate, the dissemination of knowledge, of training and development." As we see in the Amrop article, 'Survival of the Fittest: the CEO' (2024), expressing and installing the 'way we do things around here' have become critical.

But even if digitization and hybrid working connect people faster and more often, the depth of connectivity is questionable, the Amrop Partners argue. As one Amrop Managing Partner puts it: "The digitization of business and the expectations concerning sustainability make it very challenging to define the essence of culture. In a hybrid, digital world it is definitely more complicated to shape."

In this mobile landscape, an Amrop Managing Partner points out that no matter how elevated the CHRO role, a front line presence remains vital. Information from the terrain also feeds back into strategy-making. "They have to be part of the strategy, of the business success, which means being connected with the customer team. I interviewed a Chief People Officer for a big retailer and he said, "*rather than hiding in the boardroom, hiding in the office, I went to out to see the show.*" "

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# Role proliferation

Whilst new roles are emerging in the human domain, pragmatism is essential: multiple species may signal a fragile culture. Where needed, they do not belong in the C-suite. Many will likely re-absorb into the business landscape as organizations evolve to embrace the imperatives they represent.





# Does the widening of the human domain justify new C-suite specialists?

Based on interactions across the world with hiring organizations and boards, Amrop Partners call for common sense. And an examination of global Amrop assignment data (mainly large mid-cap organizations) over the past ten years does not suggest a significant development in role species, even if there are some cases.

One Amrop Partner observes: "Suddenly we had the Chief Happiness Officer. They must be joking to call a chief HR role that. You then see more and more Chief People Officers because the unions will never accept a Chief Happiness Officer. We advise our clients not to use the title of Chief Happiness Officer, because that's not what it is. I understand where it comes from: you want to change the organizational model or culture, give a different spin, differentiate yourself from the old world."

This Amrop Managing Partner is uncompromising. Multiple new role species are simply hype: "I have no time for this at all. If you have the right culture and management team, you don't need any of that." Wellbeing and happiness are the natural product of a healthy organism: "what you do and how you do it. If you need that, it's evidence of a problem that you haven't been able to solve on a bigger scale."

An Amrop Board Member acknowledges that even if some new roles are meeting a need, they do not have a place in the C-suite: "I think those roles have been created out of necessity and are part of the HR domain. Everyone is so much more focused on mental health and wellbeing, never more than during Covid; those are certainly elements of what a CHRO needs to deal with.

"I don't think it's a particular skill set that the CHRO needs, it's one of many areas within the domain where you need people with the requisite expertise. But as the person heading up that whole function you don't need to be expert in each of those areas." The requirement is for a "well-rounded team who can deal with all these different elements of what the HR role has morphed into."

An Amrop Partner is watching the shifting sands, observing the emergence and disappearance of species. "The landscape will be equally busy. It's just different agendas. We've seen that throughout, many roles come and go. Not to neglect their importance, I think they're incredibly important."

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DE&I looks set to remain a distinct and significant concern — at least for the time being, he says. "There are so many places in the workplace where you need to consider these things. From management or team events, to how you recruit, communicate. For some it's still a risk discussion. Do we risk offending somebody or marginalizing a group? I think that's fair. On the other hand it's mostly about optimizing all these different people and the performance of the organization." But he concludes that even if DE&I has become an essential part of the CHRO and leadership agenda, "it doesn't need a special C-suite title or role."

What does he think about the 'Wellness' or 'Happiness' Officer? These are parts of talent retention and performance, he believes: "The traditional workplace of the 80s and 90s where you shut up, did your work and should be happy to have a job doesn't fly with many people anymore, particularly not with the younger generations, who definitely are looking at purpose, all sorts of other items." The value of a Happiness Officer would lie in educating leaders "how to ensure that your people are doing well and thriving in a place where their belonging is becoming less evident."

Their task fulfilled, such species are destined to be re-absorbed into the business. "Once we have overcome the most obvious barriers, started speaking in the right way, acknowledging the different roles, the need for a different language and behaviors, acting as we're supposed to, having gone through that transition, the DE&I role should have outlived its purpose. Even if the purpose is still incredibly relevant, it should morph back into the CHRO role. The same thing goes for the happiness-wellness side."

And the sand dunes will continue to shift: "Once we have recognized what this new organizational set-up means, there will be new agendas. Then we will see new species of leaders, then merging back in once we've handled that issue. But getting it to that point is incredibly important, right? It warrants having that role for a while, whether it be one, two, five or ten years, I don't know. And then merging it back in."

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# **Origins and perspectives**

The career path to the CHRO seat is widening, with the CEO role as a potential destination. Whilst some organizations still hire on technical skills alone, ever more are seeking strategic business partners. These may have cycled through the HR domain as part of a wider development track. Given this, the CHRO may be a future candidate for CEO.



Strategist, business partner, right hand of the CEO and coach to the C-suite, embracing digitization whilst managing its risks. Above all, spearheading an agenda that has become central to organizational success: building a great place to work based on a compelling vision, purpose and a vibrant culture. The future for the CHRO looks bright — even if it is challenging for some.

#### What will be the source of tomorrow's CHRO?

For some organizations, it will be business as usual. They will hire for "technical skills, compensation and benefits, talent attraction and retention, probably all part of a CHRO's formative years in their development as an HR executive," says this Amrop Board Member.

But the underlying trend is moving in another direction: "I have also seen many companies seek a businessperson to spend a period of time in the HR role to bring the business mindset, and then complement that person, when they're in that role, with what they don't know from an HR perspective."

"We've seen scenarios where companies don't want a traditional HR executive, they want a business-oriented person. Running a business unit for instance. We've seen companies say: 'we actually want to have people cycle through the HR role, spend three to four years or so in that before they go on to maybe running another business unit or doing something different.' Because they'll learn a lot about what they don't know from an HR perspective but they can change that whole mindset of what an HR executive needs to be: truly that strategic person. So it's unlike the CFO role, where you really need that financial discipline in some form. For the Chief Human Resources role you can bring a multitude of different disciplines to the table and have people with the very specific experience."

### The CHRO may be a future candidate for CEO

More than sales or marketing executives, "I see more a really well-rounded CHRO as being that next feeder pool, as long as they have that exposure. I would be surprised if in five years from now we didn't see some more generalist CHROs stepping into that kind of role." After all, there is a notable precedent: "Years ago, CFOs were not necessarily the natural successor to a CEO."

An Amrop Managing Partner concurs: "If we look at culture, values, and sustainability then it could be any CXO who takes the CEO role based on his or her ability to drive exactly these topics. And personal credibility."

# In further articles in this series, we examine the evolution of the CEO, CFO, COO and CIO.





### About Amrop

The Amrop Partnership is a premium leadership and executive search consultancy with 69 offices in 55 countries and a global team of more than 550 professionals.

We help our clients find and develop Leaders For What's Next.

Shaping sustainable success is our mission, craft and passion.



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