



DRIVING STRATEGY AS A CHRO

In the first of our People and Performance Series, **Grace Palombo**, Executive-vice President and CHRO of one of Canada's oldest financial institutions, Great-West Lifeco, tells Criticleye's, **Bridgette Hall**, what it takes to build a high-performing HR function and her plan for the workplace of the future



With a history dating back over 125 years, Great-West Lifeco has established a reputation as a leading provider of insurance, wealth management and retirement savings products. The Canadian financial services firm has operations in multiple countries spanning North America to India and relies on its talented workforce to drive innovation and growth.

Executive-vice President and Chief Human Resources Officer (CHRO), **Grace Palombo**, plays a critical role in shaping Great-West Lifeco's culture, talent strategy and employee experience. With over 35 years of experience in HR leadership positions,

Grace brings deep expertise and insight to her role at one of Canada's largest financial services providers.

Grace, who started in labour law, says that her background as a mediator and facilitator taught her important skills that she's carried into her HR career. Storytelling, negotiation, compromise and giving advice, have been instrumental to her success as an HR professional and business leader.

Here, **Grace** discusses her approach to HR leadership, the challenges and opportunities facing Great-West Lifeco, and how her leadership style has evolved.

BH: How would you describe the business landscape at present and what impact is that having on you as CHRO?

GP: I get excited about HR because it's an interesting and different time. My background is legal, but I've always had a combination of HR and legal responsibilities. In my 40 years of experience, never has there been a time like right now for the role of HR.

It is navigating uncharted territories... The shifts and changes happening in the world have never happened at this speed. The social issues that have come to the forefront in the last five years have been on fast-forward. So how do >



we change as an organisation, from a customer and business perspective, as well as an employee perspective?

BH: What are your priorities at present?

GP: The top ones right now are around sustainable performance, workforce planning and the workplace of the future.

For the first time, the CEO is leading an extensive strategic HR project. In my career, it's always been me, with the CEO sponsoring it. But this is the CEO who wants to have a strategy around the workplace of the future and workforce planning. As part of that, we've pulled in the business strategy team that is helping us.

There is the big bucket of technology – we're calling it tech 2.0, as we are improving and strengthening our HR systems and programmes from a technology perspective. We're looking at how we weave in cyber, AI (Artificial Intelligence) and digital. The area of data, metrics and analytics sits under our tech roadmap, but it also sits under performance. There are two lines: one is for the HR function, but the other is for the organisation. We're asking what the impact is on the broader organisation.

Finally, we will do an HR function refresh and an audit. Every five years, I like doing an audit and an assessment of our HR function against a maturity model. I did it when I first got here almost ten years ago; we created what we felt was a high-performing, mature HR function. We use that as the cornerstone for everything we do in HR, from hiring and promoting to development plans and training programmes. We will

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refresh that to look at what new skills are needed and coming in.

BH: What's the CHRO's role in supporting the senior leadership team and the Board?

GP: My mantra and way of keeping things simple is to return to my role's purpose, which is to increase the organisation's performance. If I focus on that and narrow it down, my role is to grow and support the CEO's and executive team's performance.

When I went into one of my first leadership roles, I thought if I could increase the performance of the CEO by just one percent, such as to help them be a more effective communicator, or help them build a high-functioning executive team, then there is a tremendous ripple effect.

BH: What does the high-performing HR function of the future look like to you?

GP: The senior HR leader has three critical areas of responsibility. The core one is making sure you have a high-performing HR function. Making sure the function itself delivers what it needs to for the business. It's ensuring you have the right HR and efficient systems.

Then, you have talent in the HR function itself. So, I make sure I have the best talent, that I'm developing talent in the function and that I have succession. It's also about ensuring HR has the proper and necessary programmes for the business, for example, performance management. I call it being a 'business relations person', whether to the CEO, the executive team, the Board of directors and even the regulators. It's ensuring that they get the advice, direction and a little oversight to help them perform as well as possible. Sometimes it's coaching. Sometimes it's employee relations and sometimes it's problem-solving. A lot of times, it's talent advisory work.

The third aspect of my job is the strategic, proactive part. That's being an ambassador and champion for the organisation on behalf of its people. Being the culture keeper and the individual constantly focused on employee experience and engagement. You need to consider the whole company and how we move it forward. That work is a long-term view. It's visionary.

Being a successful HR leader is having experience in all three areas and quickly moving from one area to another without letting any of them drop. >



Sometimes, getting caught up in the operational part is easy because it has to happen. Usually, there is an urgent and immediate crisis. The business relations side is more proactive and strategic. However, the purely strategic area is the part that moves the organisation forward and keeps it current and relevant.

BH: What would you advise someone taking on their first group HR role?

GP: Understand the business strategy and check and stress test whether the HR strategy is embedded in it. Spend a lot of time on that before making any changes or jumping into anything. Take time as well to build relationships. Listen to the leaders and your HR team, then develop a thoughtful HR strategy to support the business.

Before you hit the go button on anything, ensure you have a solid HR function and make sure you have the best talent possible on the HR team. If you go into transformation or change, over-hire on your team. Bring in fully formed, high-powered, technically capable people. The mistake leaders sometimes make is not connecting the dots between what they need to deliver and the level of talent they need.

BH: Have your non-executive roles helped your development as a leader?

GP: For anyone who aspires to senior HR leadership roles in public, even private companies, I recommend including Board work or preparing for Boards in your development plan.

Sit on charity and not-for-profit Boards, do fundraising, do whatever you can and get exposed to it. That has always been a

fantastic development tool for me. It's given me exposure to lots of different industries. Most companies are trying to solve the same problems.

It strengthened me as a CHRO from an experience and a style perspective. The most development I got was from learning how to truly think strategically and bring together the business and HR strategy.

BH: How has your style of leadership evolved?

GP: Looking back, I am a significantly better leader and a stronger contributor to the business. Over the years, gaining experience, exposure, making mistakes, and having wins builds your repertoire and the tools available when facing problems.

When you first become a leader, you're a manager of work; you don't really lead. As you move up the ranks, you'll have responsibility for two or three areas. So, you shift from being a work manager to a leader of multiple functions and people. You start to develop those people skills around leadership and how you get higher engagement and drive performance.

Ten years ago, I had an epiphany. I decided to change my style from being a leader to a coach. I have good people who, in some cases, are technically stronger than I am. So, I decided instead of assigning priorities and telling them what to do, I'm going to change this completely, and I will put it all back on them and try to act more like a coach versus a leader.

It took a good two to three years to change that style. But the outcome has been phenomenal. ■

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Contact Grace through:
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