



**CRITICALEYE**

The peer to peer Board Community

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# HUMAN RESOURCES DIRECTOR RESEARCH 2022

REIMAGINING CULTURE AND PERFORMANCE

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In February 2022, we were delighted to hold our Human Resources Director Retreat in person again. The energy was palpable as leading HRDs gathered to share their insight with each other, after two years of virtual meetings.

In this Research, conducted at the Retreat, HRDs revealed the biggest changes occurring in their organisations today. They flagged improved organisational agility and hybrid working, recognising that senior leaders are seeking to embed the best of what we have learned from operating through a pandemic.

However, they highlighted problems too, with 91% of HRDs saying their management team was too inward-looking and focused on the day-to-day. Similarly, they identified an insufficient amount of time spent discussing strategy as the biggest cause of top-team failure. Worryingly, 49% of HRDs also said their ability to respond to such challenges is being hampered by limited exposure to the Board.

Once again, retaining key talent and developing skills are the HRD's top priorities for 2022. Amid a tight labour market and wage inflation they must make the most of all available tools. Mentoring is proving particularly valuable here, with 94% saying it improves performance of senior executives.

Along with the data collected at our Retreat, this report includes comments from leading HRDs about their approach to strategy, leadership and stakeholder management, along with links to our latest leadership videos and podcasts.



**Jamie Wilson**  
Managing Director, Group Services  
Criticaleye

# Key findings from Criticaleye's HRD Research 2022



**Improved organisational agility** is the biggest change occurring in organisations



**91%** say their management team is too inward-looking



**Investors** and **shareholders** are HRDs' most challenging external stakeholders



**49%** of HRDs say they have limited exposure to the Board



**94%** believe mentoring improves performance of senior execs



**15%** of HRDs aren't aligned with the CEO on strategy

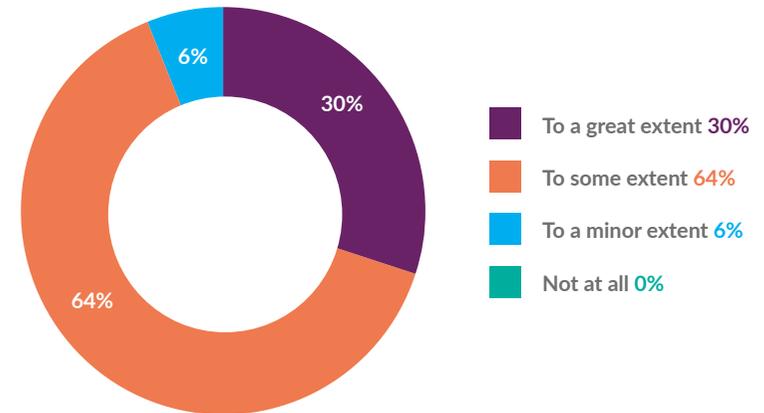
# Strategy

Criticaleye offers senior executives a unique opportunity to discuss and reflect upon strategy with peers and experts

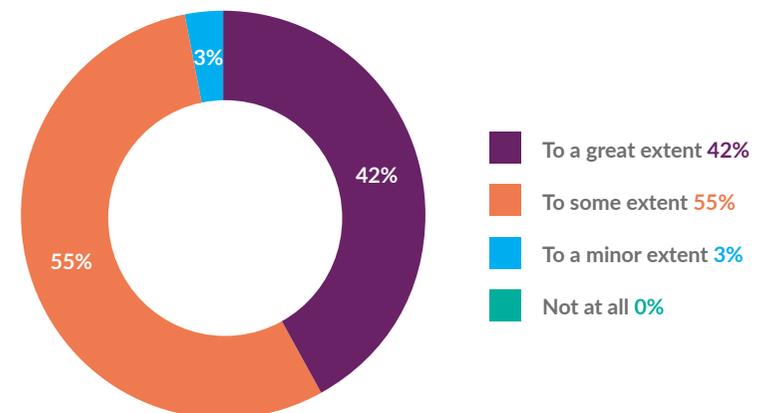
“The leaders we have are very used to dealing with uncertainty and change. What we probably lack is a balanced focus with leaders who are able to deal with ‘normal.’”

HRD Research Participant

Does your senior leadership team have the ability to navigate strategic uncertainty?

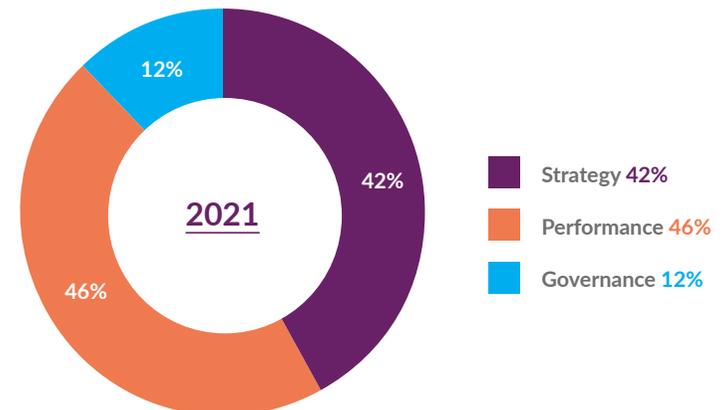
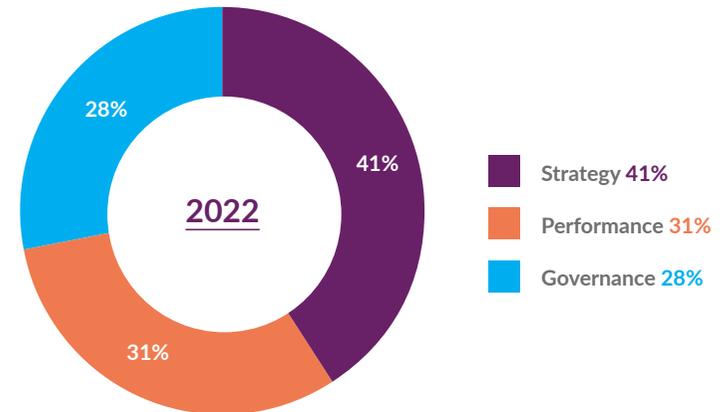


Does your executive team have the ability to execute on the medium to long-term strategy?



Improving the quality of debate on governance has become markedly more important for HRDs in 2022

In which of the following areas do you need to improve the quality of debate in the executive team?

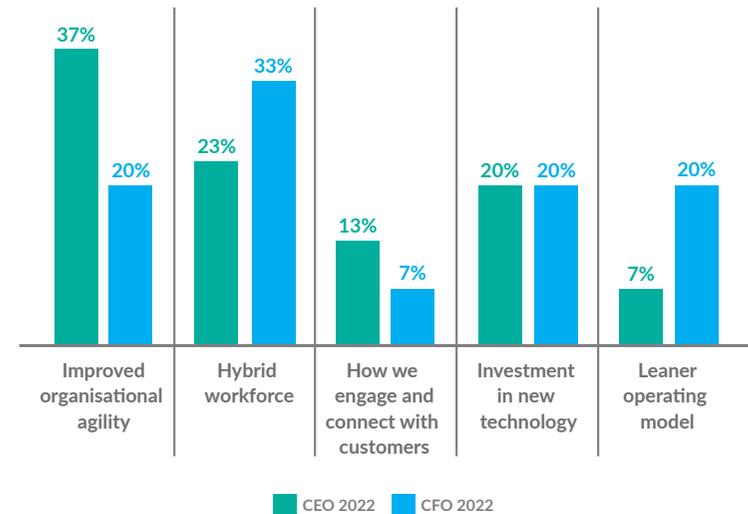
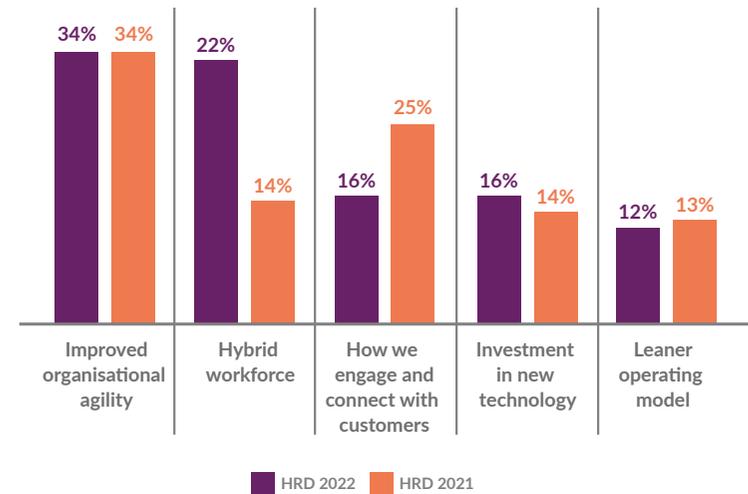


HRDs and CEOs agree that 'improved organisational agility' is the biggest change occurring in their organisations. At the same time, hybrid working has also moved up the HR agenda

“Agility is critical to engage and connect with our consumers, whose expectations and needs constantly evolve.”

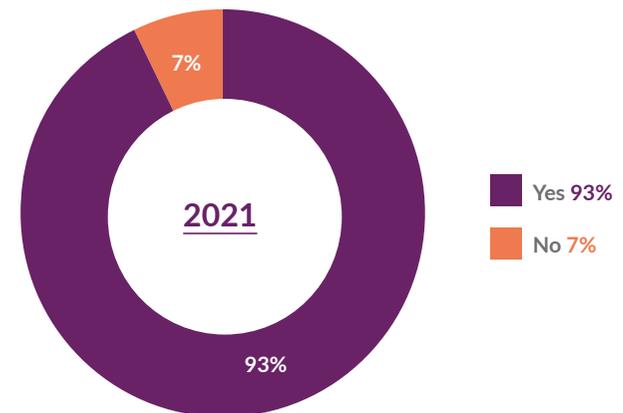
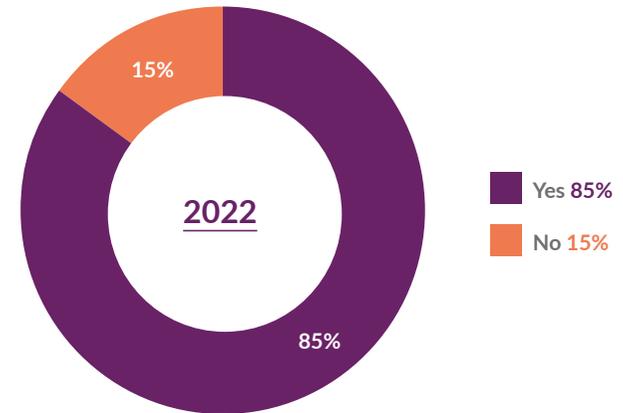
HRD Research Participant

Where do you see the biggest changes occurring in your organisation?



Fewer HR  
Directors feel  
aligned with their  
CEO on strategy  
than in 2021

Are you aligned with your CEO on strategy?



# Senior executives agree that the talent agenda must be their top priority in the year ahead

## Top 5 Priorities for **HRDs** over the next 12 months

- ✓ Retaining key talent and developing skills
- ✓ Diversity, inclusion and belonging
- ✓ Hybrid working
- ✓ Sustainability / ESG
- ✓ Organisational design

## Top 5 Priorities for **CEOs** over the next 12 months

- ✓ Retaining key talent and developing skills
- ✓ Diversity, inclusion and belonging
- ✓ Innovation
- ✓ ESG
- ✓ Sustainability

## Top 5 Priorities for **CFOs** over the next 12 months

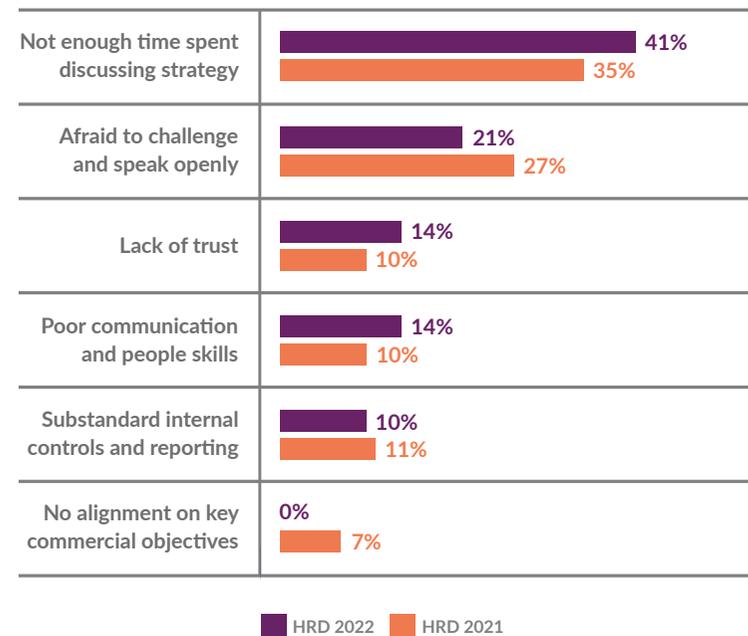
- ✓ Retaining key talent and developing skills
- ✓ Funding and refinancing
- ✓ AI & automation
- ✓ Cost reduction
- ✓ ESG

# Leadership

Criticleye enables and develops great leadership with the perfect mix of peer to peer discussion and high-impact case studies

HRDs continue to highlight a lack of time spent on strategy as the primary reason for failure at the top table

What do you regard as the primary reason for failure in your management team?



# HR Directors are increasingly concerned their management teams are too inward-looking

Click [here](#) to see leaders in our Community discuss why it's vital to look outside of your organisation.

Featuring:

**Bill Payne**, Non-executive Chair, Atento & Board Mentor, Criticaleye

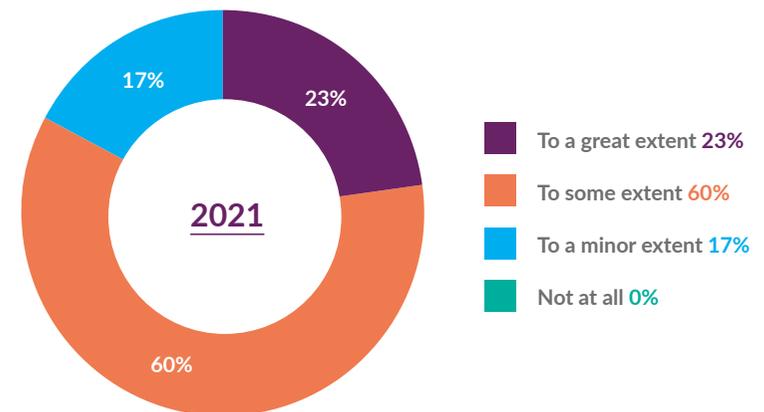
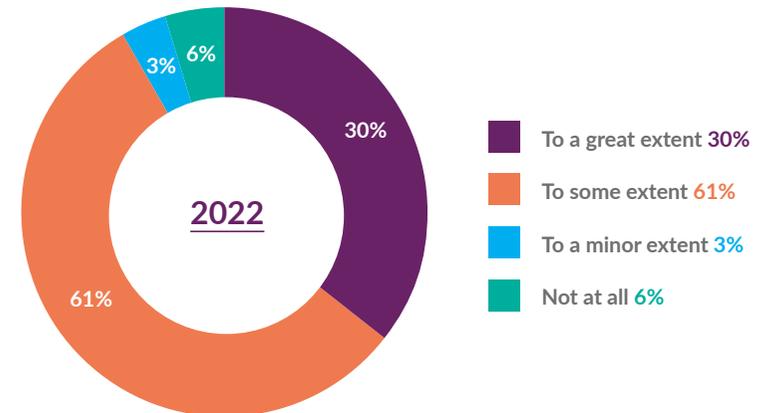
**David Guise**, Senior Advisor, Newton Europe & Board Mentor, Criticaleye

**Gary Kildare**, Non-executive Director Defence Infrastructure Organisation & Board Mentor, Criticaleye

**Genevieve Glover**, HR Director Barchester Healthcare

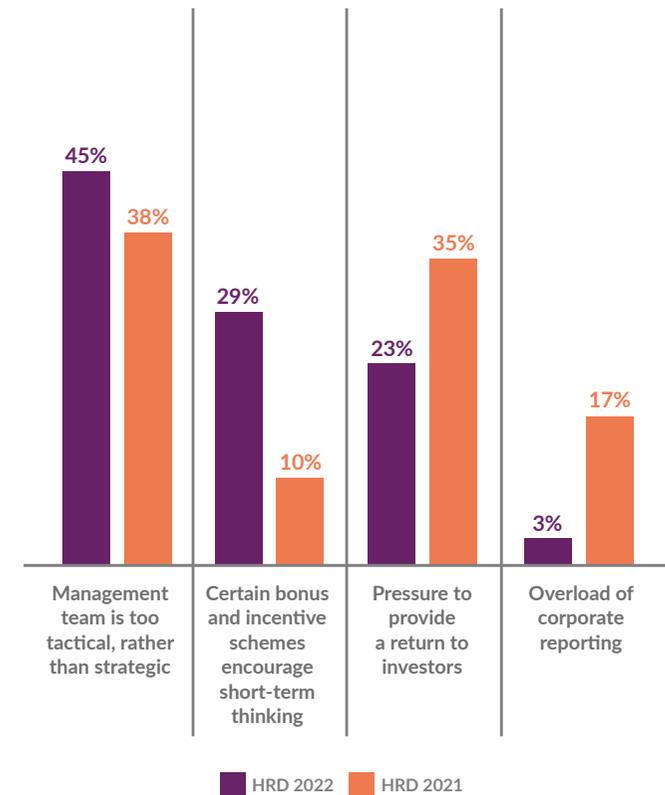
**Karen McKeever**, Chief People Officer Drax Group plc

Is your management team too inward-looking and focused on the day-to-day?



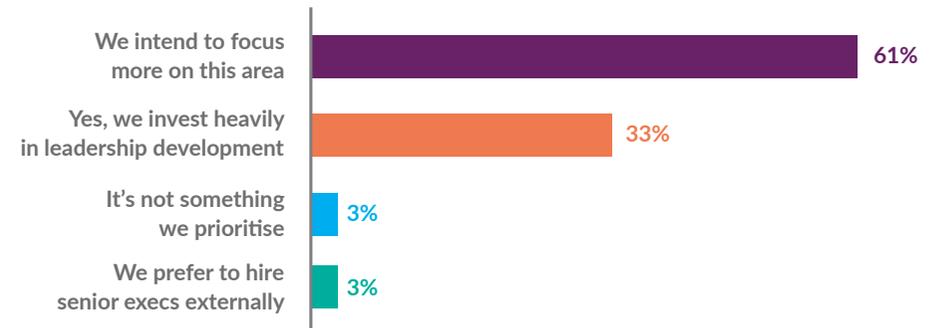
Certain bonus and incentive schemes are increasingly inhibiting strategic thinking

Why do management teams become too focused on short-term goals?

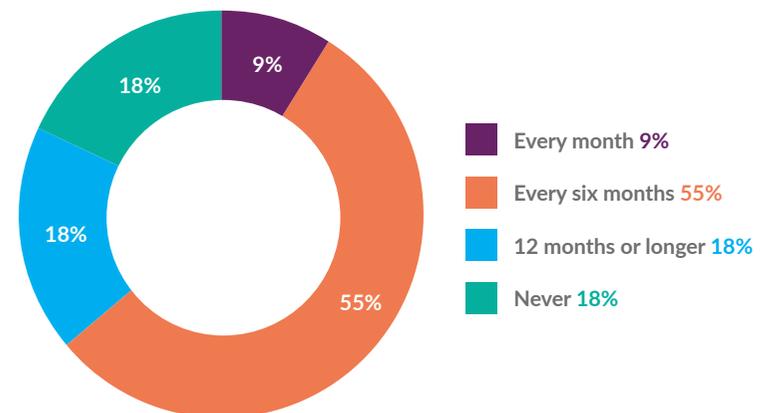


Although most HRDs are focusing on leadership development, 73% wait six months or longer to raise it at Board level. 18% never discuss it

Is leadership development for senior executives a priority within your organisation?

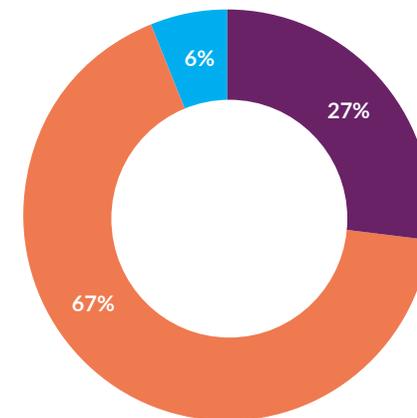


How often do you meet with the Board to discuss the leadership development needs of senior executives?



**94% of HR Directors agree that external mentoring improves the performance of senior executives**

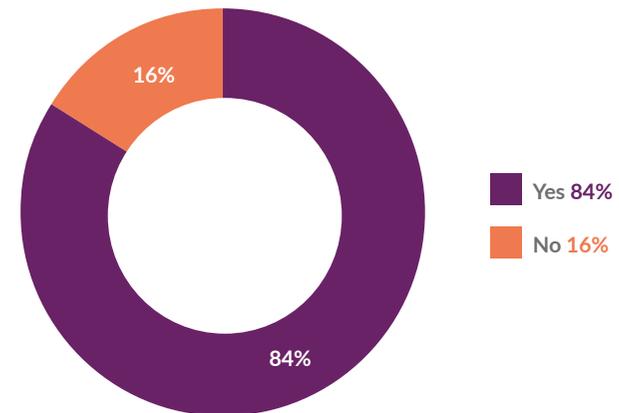
Does external mentoring improve the performance of senior executives?



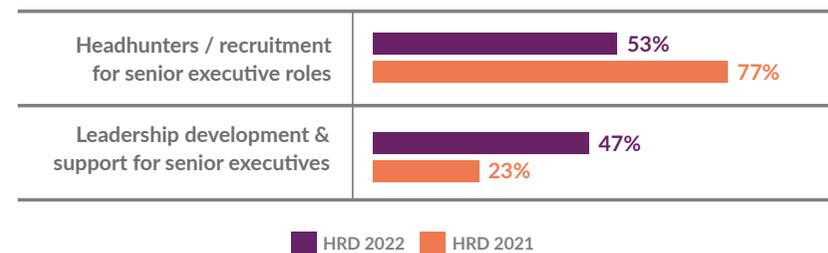
- To a great extent 27%
- To some extent 67%
- To a minor extent 6%
- Not at all 0%

Most HR Directors agree that more should be spent on leadership development. Yet, over half (53%) report that organisations still use headhunters instead of developing internal talent

In your view, should more be spent on leadership development and support for senior executives, as opposed to headhunters?



In your experience, on which of the following do organisations spend more?

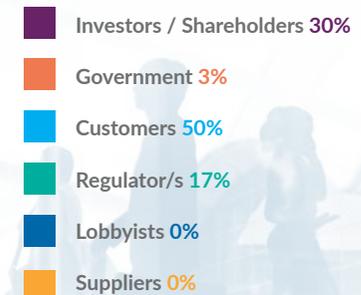
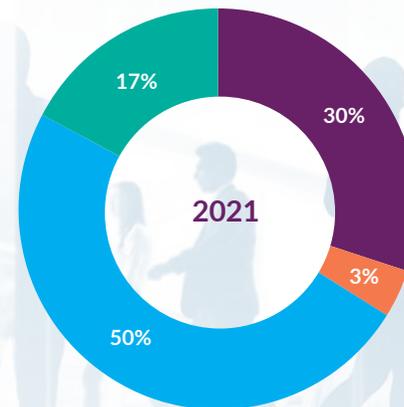
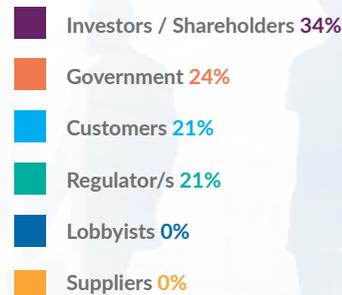
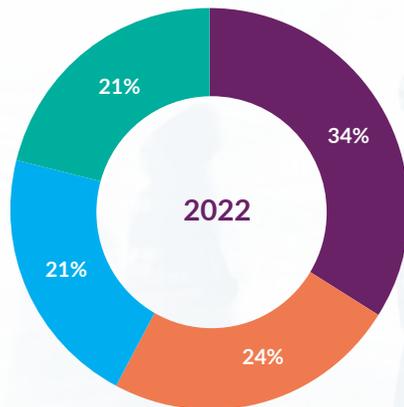


# Stakeholders

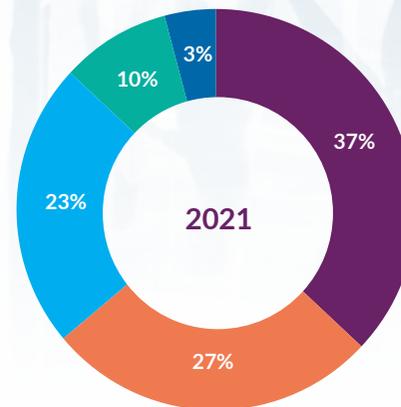
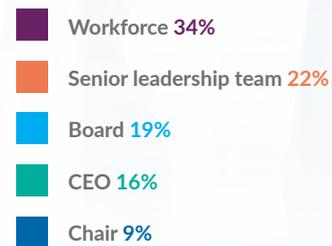
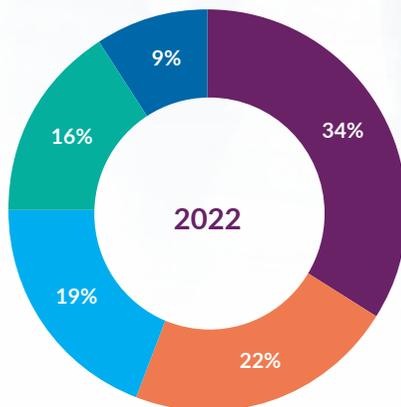
CriticalEye provides the right reference points to manage and navigate increasingly important stakeholder relationships

# Investors and shareholders have overtaken customers as the HRD's most challenging external stakeholder

## Who is your most challenging external stakeholder?

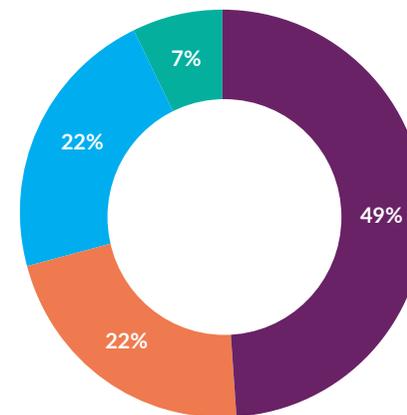


## Who is your most challenging internal stakeholder?



Limited Board exposure is preventing HRDs from exerting influence at the top level

What's the biggest barrier to you being able to influence the Board?



- Limited Board exposure 49%
- Insufficient remit 22%
- No culture of challenge 22%
- Lack of skills 7%

HRDs reveal the top three areas of improvement for both themselves and their colleagues. They identify exerting influence at the top as their own weakness

## HRDs

1.

Ability to influence the Board

2.

Building alignment in the senior leadership team

3.

Seeking inspiration / fresh thinking from other sectors

## CEOs

1.

Building alignment in the senior leadership team

2.

People skills and communication

3.

Seeking inspiration / fresh thinking from other sectors

## CFOs

1.

Building alignment in the senior leadership team

2.

Seeking inspiration / fresh thinking from other sectors

3.

People skills and communication



# WHAT OUR LEADERS SAY



## Sustainability through innovation and partnerships

In this video, we ask leaders, including Zahra Bahrololoumi, Executive Vice President and CEO for UK and Ireland at Salesforce; Michael Lewis, CEO of E.ON UK; and Peter Lacy, Chief Responsibility Officer and Global Sustainability Services Lead at Accenture, about the importance of innovation and partnerships so that businesses can meet their sustainability goals.

[CLICK HERE TO WATCH THE VIDEO](#)



## Criticaleye Asia Podcast: Leadership, People and Talent

In this episode of Criticaleye's Asia Podcast series, our General Manager, Michael Crompton, speaks to Susan Chen, Director & Head of People for HK & SG Game Development Studios at Riot Games, and Mukta Arya, Regional Head of HR for Asia Pacific at Société Générale.

Thanks to our speakers for discussing the challenges of leading people and culture across a global framework.

[CLICK HERE TO LISTEN TO THE PODCAST](#)



## Addressing leadership isolation

In this video, we ask leaders, including Mark Scanlon, CEO of Tenet Group; Ashley Phillips, former MD of Ørsted Sales UK; Melanie Lane, CEO of NewMotion at Shell; Scott Fawcett, MD of Component Solutions at Essentra; and Lorcan O'Connor, Group CEO of Córas Iompair Éireann, about isolation in the top role and how executives can get the right support outside of their organisation.

[CLICK HERE TO WATCH THE VIDEO](#)



## Criticaleye Podcast: Leadership with New Horizons

In this episode, Criticaleye's CEO, Matthew Blagg, and Director of Content, Marc Barber, offer a global outlook on leadership for 2022.

An insightful discussion on leadership approaches in 2022, productivity and the workforce, the investor landscape and prioritising longer-term planning.

[CLICK HERE TO LISTEN TO THE PODCAST](#)



## What's on the Board agenda in 2022

In this video, we ask non-executives in our global Community about their top priorities this year.

Thanks to Sally Bridgeland, Chair of Impax Asset Management; Brian May, NED at ConvaTec Group & Criticaleye Board Mentor; Neil Griffiths, NED at City Pub Group & Criticaleye Board Mentor; and Jane Griffiths, NED at Johnson Matthey & Criticaleye Board Mentor, for commenting.

[CLICK HERE TO WATCH THE VIDEO](#)

DO YOU WANT TO JOIN OUR GROWING COMMUNITY OF HRDS, CFOS, CEOS, NEDS AND OTHER LEADERS? CONTACT [INFO@CRITICALEYE.COM](mailto:INFO@CRITICALEYE.COM) FOR MORE INFORMATION ABOUT HOW WE SUPPORT AND DEVELOP SENIOR EXECUTIVES AND THEIR TEAMS ACROSS A WIDE RANGE OF SECTORS AND ORGANISATIONS.

“At Criticaleye, we believe that great leadership creates positive outcomes and enables powerful legacies. Whatever the strategic direction of your business, it’s essential to have an effective, cohesive leadership team in which there is complete trust and alignment.”



**Charlie Wagstaff**  
Managing Director, Criticaleye

# We Inspire Leaders to Succeed



Our bespoke solution supports leaders with personal, strategic and team development.

Our unique strength lies in our ability to bring together a wide range of leadership and industry experience.

We invite leaders into a trusted environment, where executives and their teams get access to the insight they need to enhance their performance.

We enable senior executives to address key questions around leadership, strategy and stakeholder management.



Achieve  
**Better**  
Performance



## Inspiring Leaders to Succeed

### Our Values

**Respect:** an appreciation for diverse and varied views and experiences is crucial to high-performance leadership

**Collaboration:** working together to share knowledge and expertise is a defining characteristic of effective executive teams

**Challenge:** strategies and ideas need to be constructively challenged to reach the best outcome

**Trust:** leaders need to trust their colleagues and peers in order to work effectively and drive results

**Integrity:** we inspire leaders to succeed by providing a closed and confidential environment where Members can share openly

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