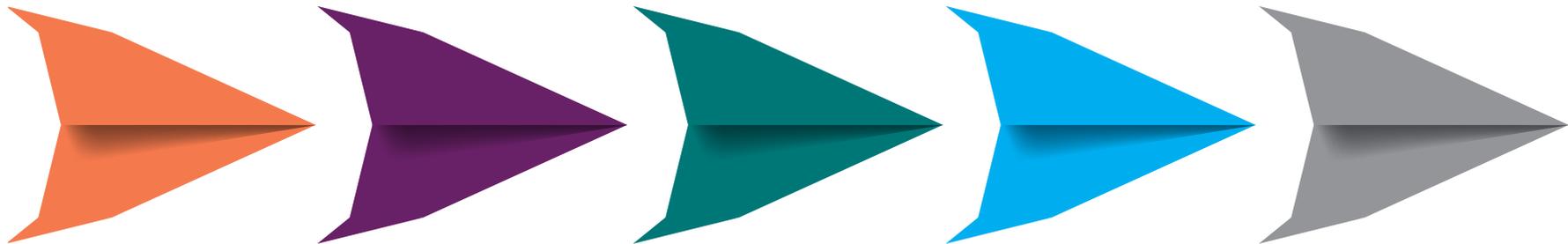




# HUMAN RESOURCES DIRECTOR RETREAT

DELIVERING STRATEGIC VALUE

# RESEARCH RESULTS 2019



“This research, conducted at our Human Resources Director Retreat 2019, provides a fascinating insight into the challenges HRDs are facing. The theme of the two-day event was ‘delivering strategic value’, and from the research results it’s clear this is where HRDs want to focus.

However, there are some significant barriers to success. HRDs need to be able to contribute to decision-making at the highest level, and yet their ability to influence the Board is where they admit they most need to improve. This isn’t purely down to personal capability. Our data reveals that limited exposure to the Board and a business culture that doesn’t promote challenge are the two biggest causes.

Compounding this, 48 percent of HRDs said the whole executive team needs to improve the quality of debate around strategy.

HRDs want access to structured support for those senior executives – such as external mentoring – as 87 percent believe this improves the performance of the top team. Contrary to this, 93 percent acknowledge that the main spend continues to be on recruitment via headhunters.

As well as the data collected at the Retreat, the following research includes comments from leading HRDs on how they are striving to deliver strategic value to their businesses.”



**Jamie Wilson**  
Managing Director  
Criticaleye

# Findings from Criticaleye's HRD Retreat 2019 Research



**Influencing the Board**  
is where HRDs feel  
they fall short



**48%**  
of HRDs say leadership teams  
need to improve the quality  
of debate around strategy



**Limited exposure** is  
the no.1 barrier to  
HRDs influencing  
the Board



**87%**  
of HRDs are facing  
business model disruption



Only **24%**  
of HRDs are fully confident  
the executive team has the  
ability to execute on strategy



**Retaining talent and  
developing skills** are the  
top priorities for HRDs  
over the next 12 months

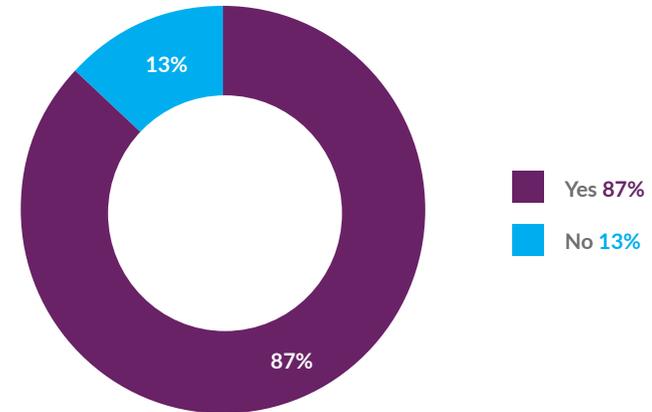
# Strategy

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

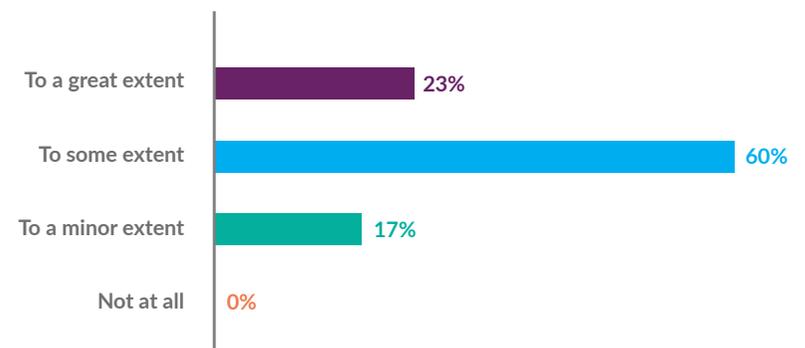
**“We are being impacted by regulatory interference, customer expectation, unprecedented technological change, political uncertainty and investor demands.”**

HRD Research Participant

Is your senior leadership team currently grappling with business model disruption?



Does your senior leadership team have the ability to respond to business model disruption?

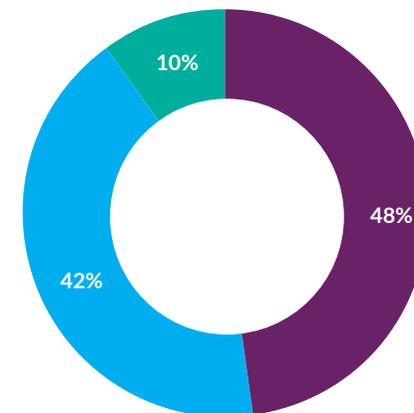


# Executive teams need to improve the quality of strategic discussions according to their HR Directors

Click [here](#) to see leaders and HRDs from across the Criticaleye Community discuss the role of HR in strategy.

Featuring: Roanne Parry, VP HR, Emerging Markets & Classic and Established Products, GlaxoSmithKline; Paul Pomroy, CEO, McDonald's UK; Gerard Jacques, Director of People, Eurostar International and Julie Harding, Criticaleye Board Mentor.

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

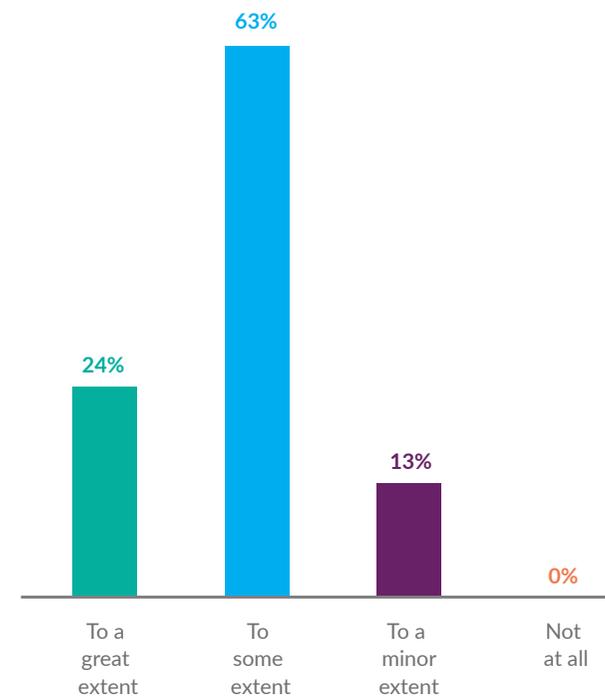


Only 24% of HR Directors are fully confident that the executive team can execute its strategy

“Lack of strategic thinking in some team members is an inhibitor.”

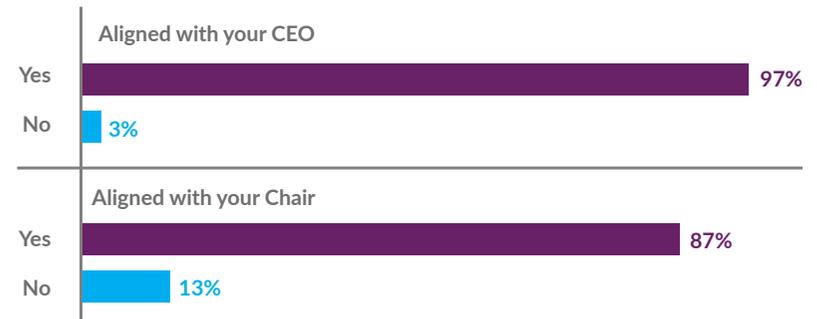
HRD Research Participant

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

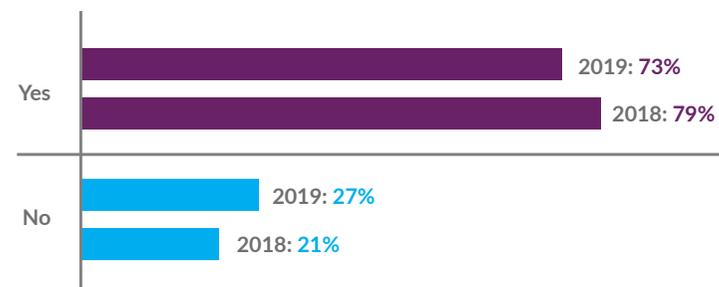


Although HR Directors say they are aligned with their CEO and Chair, almost a third (27%) feel the Chair does not add value when it comes to supporting the executive team

Are you aligned with your CEO and Chair on strategy?



Does your Chair add value in terms of supporting the goals and objectives of the executive team?



# HRDs, CFOs and CEOs are making talent their main focus over the next 12 months

## Top five priorities for HRDs

1. Retaining key talent and developing skills
2. Organisational design
3. C-suite succession (including the CEO)
4. Digital disruption
5. Improved performance management

## Top five priorities for CEOs

1. Retaining key talent and developing skills
2. Innovation
3. Digital disruption
4. Improved cross-team collaboration
5. Cost reduction

## Top five priorities for CFOs

1. Retaining key talent and developing skills
2. Improved cross-team collaboration
3. Business model transformation
4. Recruiting people with new skills
5. Improved performance management

# Leadership

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

# HRDs reveal the primary reasons for failure in the management team

2019		2018	
1	▲	2	Not enough time spent discussing strategy
2	▲	3	Lack of trust
3	▼	1	Afraid to challenge and speak openly
4	▶	4	No alignment on key commercial objectives
5	▶	=5	Poor communication and people skills
6	▶	=5	Substandard internal controls and reporting

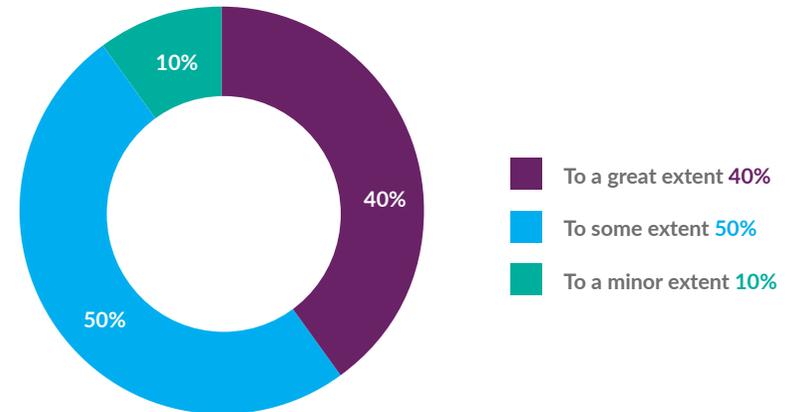
“Due to the pressure to provide short-term results, many senior leaders are tactical and not strategic.”

HRD Research Participant

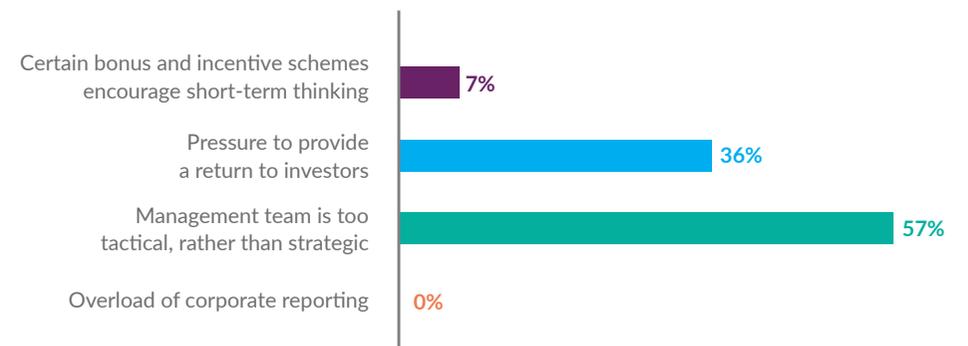
Click [here](#) to see business leaders share their views on striking the right balance between tactics and strategy.

Featuring: Anthony Fletcher, CEO, graze; Lynn Drummond, Non-executive Chair of Venture Life Group (& Criticaleye Board Mentor); Jill Easterbrook, CEO, Boden; Paul McNamara, CEO, EValue; and David Johnson, CEO, Security Services, International SOS.

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



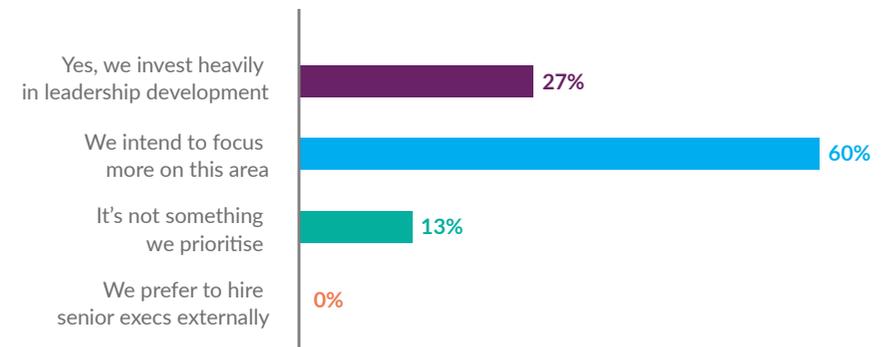
Why do management teams become too focused on short-term goals?



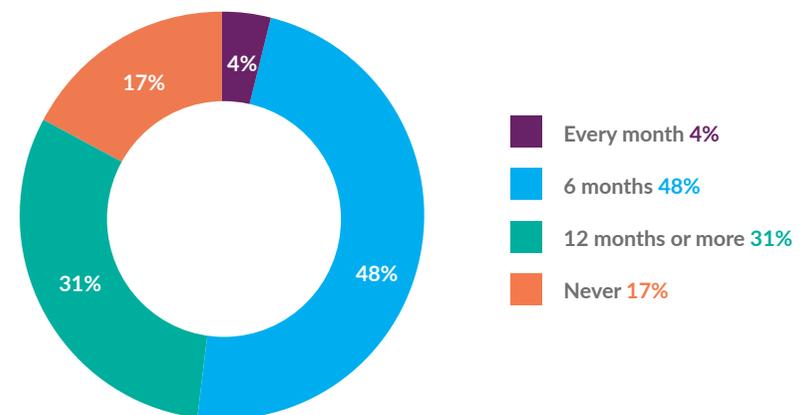
“Leadership development is definitely something we need to do more of. Changes at the top of the organisation, as well as a change in strategy, mean the need is magnified.”

HRD Research Participant

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?

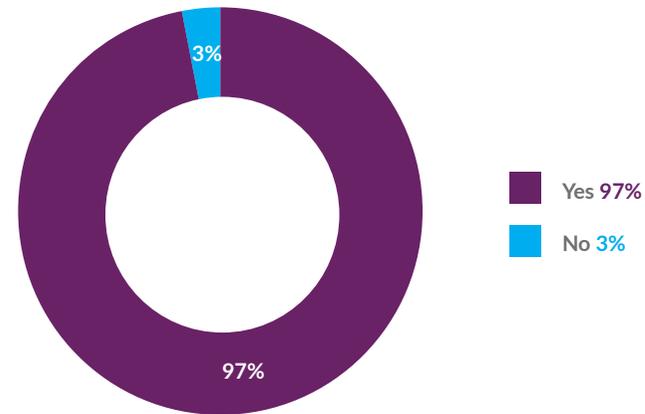


# 97% of HR Directors think more should be spent on leadership development, so why isn't this happening?

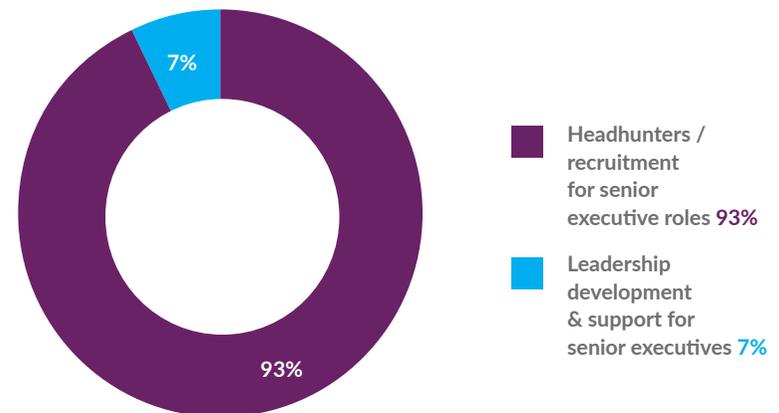
Click [here](#) to see business leaders share their views on how organisational budget is allocated between internal leadership development and bringing in new talent.

Featuring: Matthew Blagg, CEO, Criticaleye; Claudio Righetti, CEO, Analyx, and Chair, Twentyfifty; and John Duncan, Board Advisor, GP Strategies and former Group HRD, Royal Mail.

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?



## Is development enough of a priority for senior leadership teams?

87% of HR Directors believe external mentoring improves the performance of senior executives

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**Mentoring** is cited as one of the most effective leadership development tools for senior executives

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HR Directors ranked their **'ability to influence the Board'** as the area where they most wanted to improve

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But, **93%** of HR Directors say more is spent on recruitment than leadership development and support for senior executives



# Stakeholders

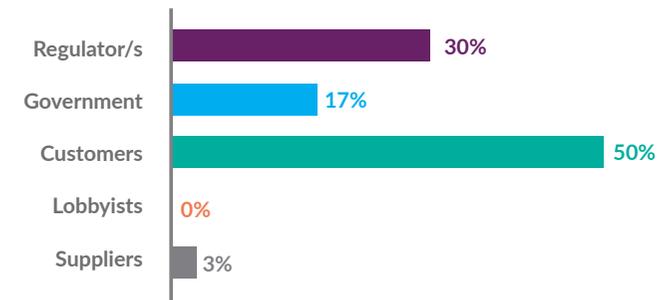
CriticalEye provides the right reference points to manage and navigate increasingly important stakeholder relationships

# Customers and the workforce are HR Directors' most challenging stakeholders

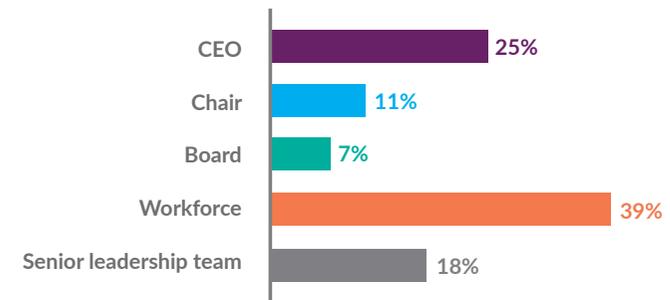
Click [here](#) to see leaders in our Community talk about stakeholder management in today's environment.

Featuring: Matthew Blagg, CEO, Criticaleye; Chris Griffith, Director, Investor Relations, Tesco; Viral Gathani, Head of Corporate Finance and Strategy, Vedanta Resources; Michele Faull, CFO, Coventry Building Society; and Andre Nel, Senior Director, Finance, EMEA, Illumina.

## Who is your most challenging external stakeholder?

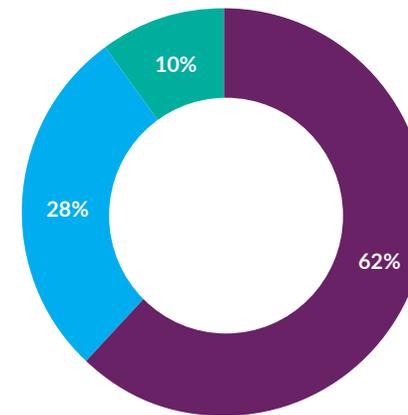


## Who is your most challenging internal stakeholder?



**HRDs will need greater exposure to the Board alongside a stronger culture of challenge if they are to have more strategic influence**

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



- Limited Board exposure 62%
- No culture of challenge 28%
- Insufficient remit 10%
- Lack of skills 0%

# HRDs revealed the top three areas of improvement for their colleagues and themselves

## HRDs

1.

Ability to influence the Board

2.

Building alignment in the senior leadership team

3.

Strategic thinking

## 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

## Are leadership teams too focused on the day-to-day?



HR Directors say management teams are too inward looking and focused on the day-to-day.

Thanks to Richard Place, CFO, NatWest Markets; Michael Topham, CEO, Biffa; Matthew Blagg, CEO, Criticaleye; James Taylor, CFO, Mayborn Group; Chris Griffith, Director, Investor Relations, Tesco; and Viral Gathani, Head of Corporate Finance and Strategy, Vedanta Resources, for giving us their views.

[CLICK HERE TO WATCH THE VIDEO](#)

## Unique challenges for today's leaders



We asked leaders from our Community about the key challenges they are facing.

Thanks to Alex Cruz, Chair and CEO, British Airways; Mary Jo Jacobi, NED, Weir Group, Mulvaney Capital Management, Panafsat (& Criticaleye Board Mentor); Paula Dowdy, SVP & GM EMEA, Illumina; and Rick Sheppard, Head of Latin America, Consumer Healthcare, GlaxoSmithKline, for giving us their views.

[CLICK HERE TO WATCH THE VIDEO](#)

## Are leadership teams too inward-looking?



We asked leaders about what leadership teams can do to integrate more of an external viewpoint into their top team.

Thanks to Paul Pomroy, CEO, McDonald's UK & Ireland; Diana Breeze, Group HR Director, Bunzl; and Pamela Harding, HR Director, PRS for Music, for sharing their experience and expertise.

[CLICK HERE TO WATCH THE VIDEO](#)

## Understanding the value of an external mentor



We spoke to some of our Board Mentors about the value of mentoring, both during their careers and now as mentors.

Thanks to Mark Whitby, Chair, Codeplay; Keith Edelman, Chair, Revolution Bars Group and PennPetro Energy; Phil Smith, Chair, Innovate UK; and Neil Griffiths, Non-executive Director, City Pub Group and StarStock.

[CLICK HERE TO WATCH THE VIDEO](#)

## Leadership during times of disruption



We asked leaders about handling disruption, the value of the Board and why you need diverse leadership – with external as well as internal focus – to handle disruption or a crisis should it arise.

Thanks to Mike Evans, Chair, Just Eat; Hywel Ball, Managing Partner, EY; Sarah Bates, Chair, Polar Capital Technology Trust; Tony Hayward, Chair, Glencore; and Neil Griffiths, Non-executive Director, City Pub Group, StarStock (& Criticaleye Board Mentor).

[CLICK HERE TO WATCH THE VIDEO](#)

WANT TO JOIN OUR GROWING COMMUNITY OF CEOs, CFOs, NEDs, HRDs 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

For more information, please email: [info@criticaleye.com](mailto:info@criticaleye.com)

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