



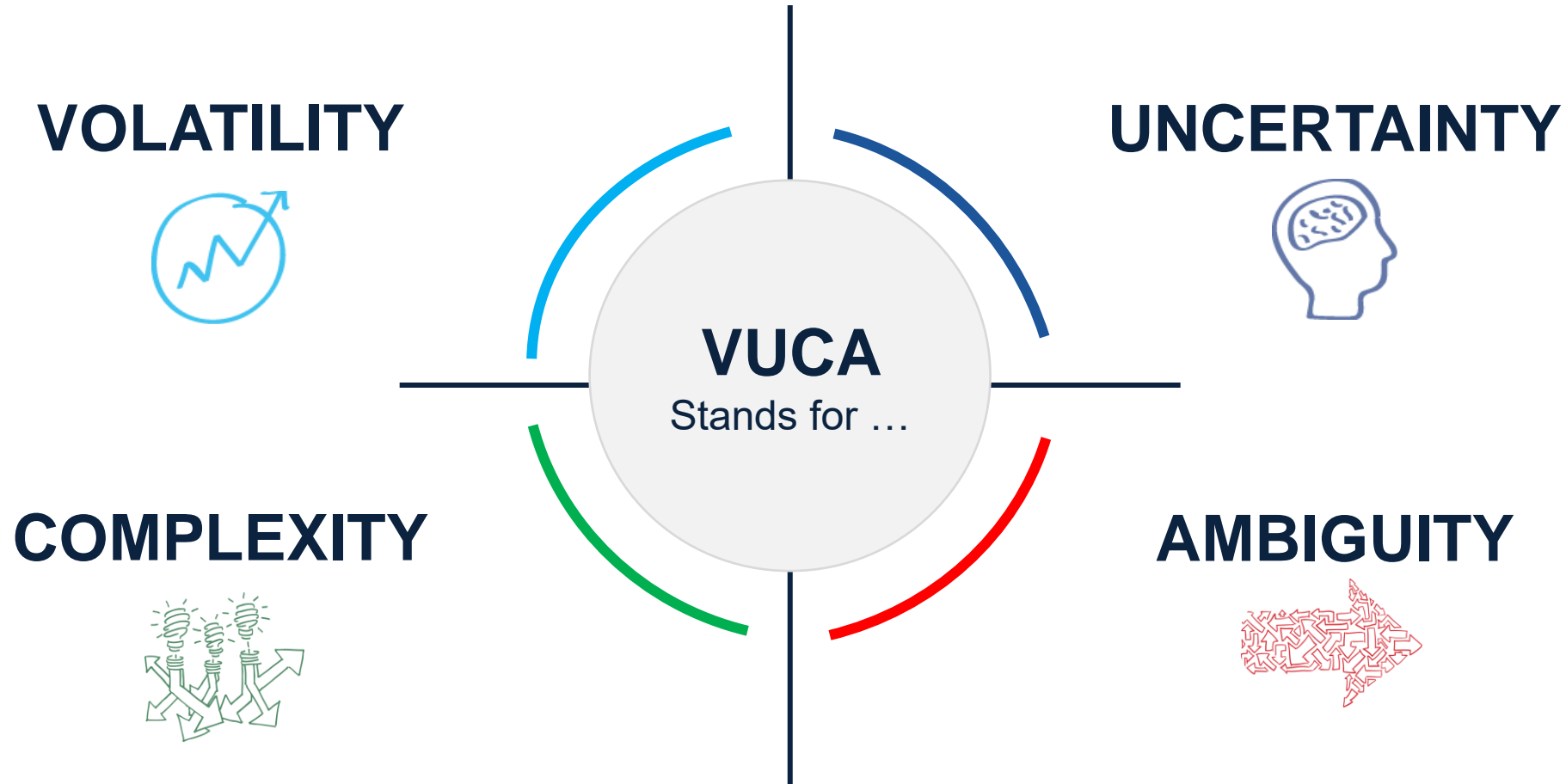
24 Years and Counting...

Leading HR in a VUCA World

Kevin Cox, CHRO, GE

December 2022

VUCA World...a concept dating back to 1987...



...2022 makes 1987 look like a still life painting!

My Background



24 YEARS AS CHRO ACROSS 3 INDUSTRIES:



GE (2019-present) Areas of focus: upgrading talent, reshaping culture and raising performance standards. Currently focused on building three standalone public companies and separation management.



American Express (14 years) Partnered with Ken Chenault; led 2017/2018 transition to Steve Squeri. Substantial experience in resetting leadership, board composition, comp & ben, culture change, and strategy.



Pepsi Bottling Group (6 years) Co-led IPO of PBG from PepsiCo. Created culture of operating discipline, accountability, and performance in a low-margin, capital intensive make/sell/deliver environment. Role expanded to include Strategy, Business Development.

BOARD EXPERIENCE - FORMER

- Kraft Heinz (NSDQ: KHC)
- American Express Global Business Travel (NYSE: GBTG)
- Corporate Executive Board (*now Gartner*)
- The Chefs' Warehouse (NSDQ: CHEF)
- Virgin Mobile USA (*now T-Mobile*)

EXTERNAL THOUGHT LEADERSHIP

- Health Transformation Alliance (Founder)
- Global CHRO Advisory Board (Co-Founder)
- HR Policy Association (Director, former Vice Chair)
- Center for Executive Succession (Member)
- National Academy of HR (Fellow, Instructor)
- Center for Advanced HR Studies (Member, past Chair)

SPEAK/ADVISE MOST OFTEN

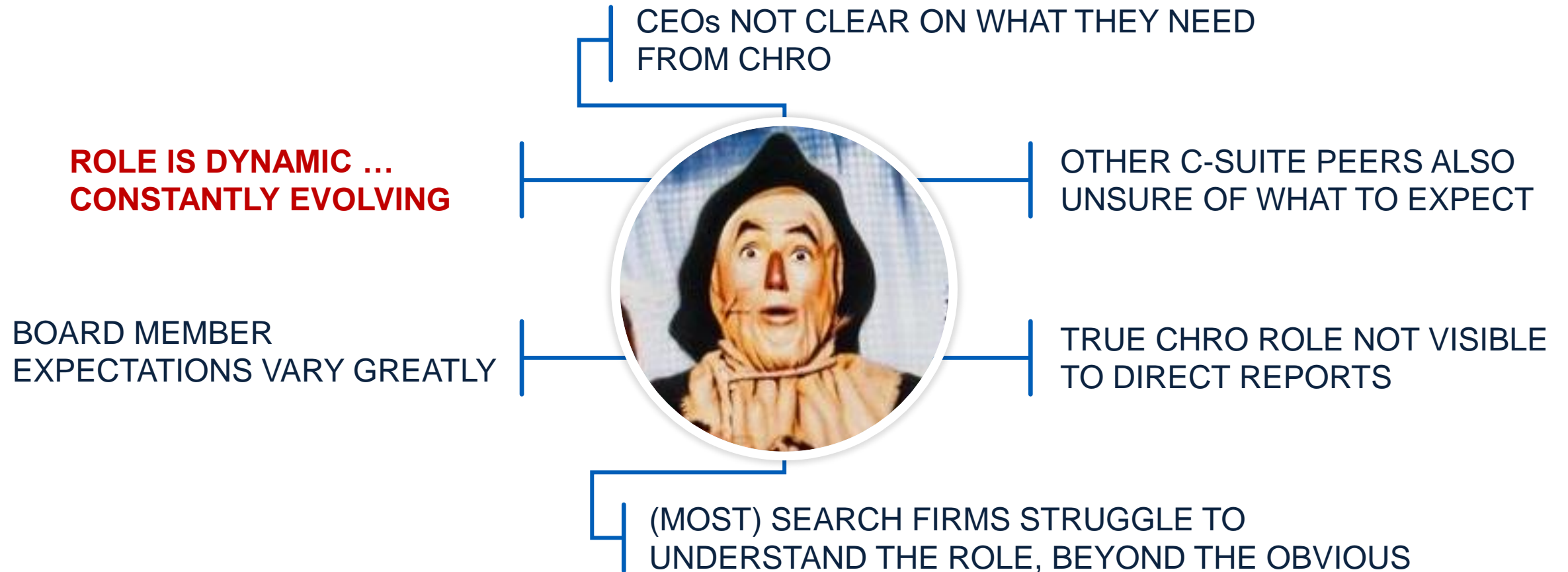
- The Role of a Global CHRO
- CEO Succession Best Practices
- Developing Leadership in Global Organizations
- The Future of Healthcare for US Employers

MODEL OF A WORLD CLASS CHRO

v0.00001



The CHRO Role Is Chronically Misunderstood...



**SO, IN 2017, A
FEW OF US GOT
TOGETHER ...**

...and developed
a model of a
**World Class
CHRO**



NOBLE INTENT

We are trying to create a movement



EXPERT INPUT

CHROs from different industries, geographies



NO ECHO CHAMBER

Built with extensive CEO input



SUPPORTED BY RESEARCH

CEB (now Gartner)

**AND
REFRESHED IT
THIS YEAR...**

Principles

- **Consensus to refresh, not reinvent**
- **Focus on where we are spending our personal time and leadership capital**
- **Guard against temporary shifts (pandemic, Ukraine)... focus on more permanent shifts**

Model of a World-Class CHRO: Chapter 2



Changes v. MWCC 1.0

“Trend Watchlist”

Drive Business Results

Board and CEO's Leader of Human Capital & Culture	Win In a Dynamic Talent Landscape	Leader of Enterprise Strategic Change	Leading Through Evolving Stakeholder Scenarios	Trusted Advisor and Coach
Plan and Support CEO and C-Level Succession	Ensure Top Talent and Capabilities for Critical Roles	Create Organization Agility and Resilience Capability	Anticipate and Respond to External Trends	Advise and Coach the CEO
Build Effective Compensation Supported by Shareholders	Embed DE&I into Talent and Culture Strategy	Assess and Catalyze Actions to Drive Competitiveness	Align and Link Organizational Metrics to Stakeholder Expectations	Maximize Senior Team Effectiveness
Drive Culture and Purpose	Deliver a Compelling Employee Value Proposition	Integration of Organizational Levers to Sustain Change	Focus on Workforce as a Primary Stakeholder	Coach and Develop Key Enterprise Talent

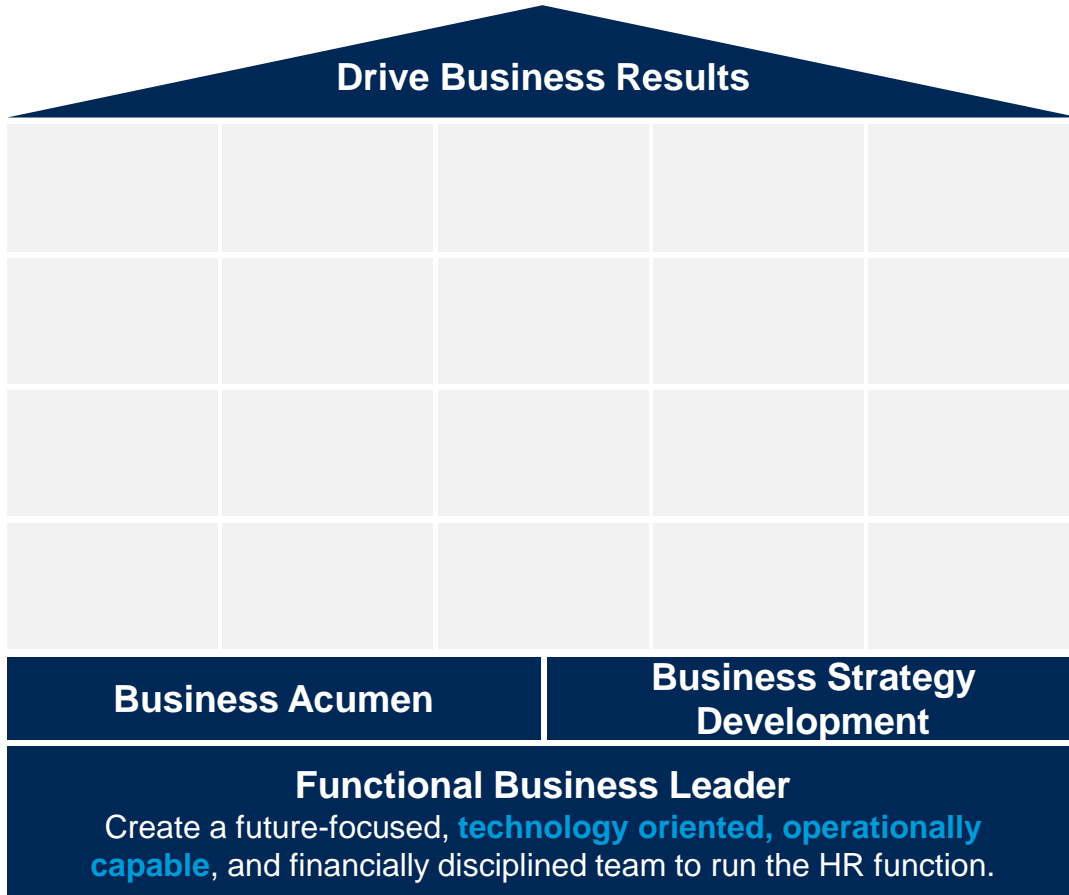
Business Acumen

Business Strategy Development

Functional Business Leader

Create a future-focused, **technology oriented**, **operationally capable**, and financially disciplined team to run the HR function.

Foundational Model Elements



Key Points

- The greatest CHROs in the field drive enterprise-wide business results as a part of their role
- The best CHROs know that business acumen is never optional – and is ‘table stakes’ for delivering value to the business
- Great CHROs participate and influence the development of the business strategy
- A very strong HR team, able to work without close direction is the foundation of the ability for a CHRO to elevate

Board and CEO's Leader of Human Capital & Culture



Updated Column

Board and CEO's Leader of Human Capital & Culture

Plan and Support CEO and C-Level Succession

Build Effective Compensation Supported by Shareholders

Drive Culture and Purpose

Key Points

- Ensured that both human capital and culture are elevated to both the board and CEO
- Expanded succession to include “C-Level” given the important role CHROs play at the intersection of talent and business strategy
- Given shareholder interests, removed exclusive reference to executive compensation
- Driving culture and purpose even more critical to organizations in the context of stakeholder management and employee engagement

Win In a Dynamic Talent Landscape



Updated Column

Win in a Dynamic Talent Landscape

Ensure Top Talent and Capabilities for Critical Roles

Embed DE&I into Talent and Culture Strategy

Deliver a Compelling Employee Value Proposition

Key Points

- Single largest change to original. Intended to demonstrate the need to navigate an increasingly complex talent landscape
- Intended to reflect an invigorated importance of DE&I in the work of CHROs
- Intended to make sure that CHROs create, enhance, or maintain their current EVP – given talent pressures every company faces

Leader of Enterprise Strategic Change



Updated Column

Leader of Enterprise
Strategic Change

Create Organization Agility and
Resilience Capability

Assess and Catalyze Actions to
Drive Competitiveness

Integration of Organizational
Levers to Sustain Change

Key Points

- Intended to reflect role CHROs should play in leading enterprise change where change is necessary. If not us, then who?
- Proven need for CHROs to ensure organizational agility and resilience ... and equip leaders accordingly
- Integrate the many organizational levers that drive/reinforce change and live within the CHRO's purview, including compensation, talent choices, and metrics

Leading Through Evolving Stakeholder Scenarios



Updated Column

Leading Through Evolving Stakeholder Scenarios

Anticipate and Respond to External Trends

Align and Link Organizational Metrics to Stakeholder Expectations

Focus on Workforce as a Primary Stakeholder

Key Points

- Second largest change to original. Stakeholder responsiveness seen to be a permanent shift in CHRO role
- Increased importance on CHRO's role in anticipating and responding to external trends and events
- Increasing need to ensure organizational metrics are responsive to a growing list of stakeholder expectations
- Intentionally highlighting employees as stakeholders; CHROs are main advocates

Trusted Advisor and Coach



No Change

Trusted Advisor
and Coach

Advise and Coach
the CEO

Maximize Senior
Team Effectiveness

Coach and Develop
Key Enterprise Talent

Key Points

- Role remains unchanged and still extremely critical
- Continuing to elevate capability in this area will be important no matter the context ... this is where World Class CHROs must succeed



Trend Watchlist

Designed to anticipate major trends, insights and capabilities related to the Future of Work that are and will be affecting the Model in years to come

- Developing ESG strategies relevant to HR
- Evaluating the intersection of people, process, and technology
- Managing to the ongoing reality of flexible work environments
- Changing expectations on workforce skills development
- Balancing the role of analytics in decision making

My **7** Favorite Use Cases...

1. Contracting with your **new** CEO
 - A chance to align on mutual expectations
2. Re-contracting with your **current** CEO
 - A handy way to elevate – and climb the value-added stack
3. Useful in **Board of Director** contexts
 - For example, when doing 1:1 new Board member orientations
4. Great **development tool** for your likely successor(s)
 - Point out gaps often not obvious
5. Very adaptable to **BU/Division heads of HR**
 - Who often need to elevate their strategic contributions, beyond the tactical
6. Helping a **CEO (or a Search Firm)** go beyond the “comp and talent” CHRO job description
 - “Kevin, I’m not sure what I have a right to expect from a CHRO”
7. Educating the **executive leadership team** about the role of the CHRO
 - Help peers understand where we play and what we prioritize

Reflections on Leading in a **VUCA** World



- **Essence of Leadership:** Define Reality, Give Hope – first one easy, second one more important.
- **Experience is Vital:** If you don't have it, seek the counsel of your elders.
- **Lessons from a Libra:** Avoid the hype. It isn't as good as you think it is. It isn't as bad as you think it is. Keep it in the middle of the road/fairway/runway. Subtract drama, don't add to it.
- **Exit Your Echo Chamber:** Tougher if you're addicted to social media, but seek the input, views, and perspectives of others who may see the world in an altogether different way.
- **I Have No Idea:** Is a perfectly good answer from time to time. The best I have ever been able to do is to scenario plan – not to predict. I think that adds greater value.

Put the oxygen mask on yourself first...so you can help others



Q&A