

CHRO 3.0

*Preparing to Lead the
Future HR Function in India*



Center for
Creative
Leadership®



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Foreward

We are delighted to present the *CHRO 3.0: Preparing to Lead the Future HR Function in India* research study jointly published by Center for Creative Leadership (CCL) and The National HRD Network (NHRDN), Bangalore Chapter.

The study aims to identify drivers of change within the HR function in India, critical development gaps in senior leaders at the helm of the HR function in the country; and provides guidance around changes the leaders may want to bring about in terms of their mindsets and skills, to be 'relevant' in the future.

The HR function in the country has seen a paradigm shift over the past decade; graduating from a 'cost center' with primarily operations and administration responsibilities, to a strategic function that enhances and develops the most critical assets an enterprise may have, its people. Despite awareness that the function is evolving rapidly, there seems to be a huge chasm between organizations that are further down the journey in terms of their HR function maturity, and those that are still hinged on the operational piece.

The HR leader in Indian organizations needs to deal with a myriad of complexities, uncertainties and ambiguities, not only around the external business and talent context, but also the internal business strategies and expectations from HR that seem to be rapidly changing. The need of the hour is that the HR leader, on the one hand plays a 'true' partner and advisor to business leader(s), while on the other hand grounds herself on managing the most fundamental people processes in the enterprise.

Technology has been both a big disruptor and a big leveller. While it has changed [or is changing] the way HR is done in enterprises, it has also provided an opportunity to HR functions across the board to take their 'game' up a few notches in one stroke of brush! The HR leader of the future will need to find a fine balance between leaning on technology to enhance the impact of the function, while simultaneously not losing sight of the 'human' aspect of human resources.

The *CHRO 3.0* report discusses some of these polarities the HR leader of the future may face. And, ways in which she can 'engineer' crucible experiences to exponentially develop herself and her team over the next decade.

This joint research initiative marks a partnership between two like-minded organizations dedicated to developing HR leaders. CCL, one of the world's most respected brands in leadership development, with deep expertise in running successful open-enrolment, custom engagement, coaching, and online leadership development interventions, all deep-rooted in research; and, NHRDN, the national apex body of professionals committed to enhancing the capability of human resource professionals in India. This is hopefully first of the several joint initiatives to expand the body of knowledge about future readiness of HR leaders, and launching high-impact leadership development interventions targeted at HR and business leaders in India.

We at CCL and NHRDN/Bangalore Chapter, hope you find the *CHRO 3.0* research useful as well as timely, as you prepare yourself and your teams to take on the future!



Krish Shanker
EVP and Group Head – HR, Infosys
President, National HRD Network,
Bangalore Chapter



Muniinder K. Anand
MD – India & South Asia,
Center for Creative Leadership

Executive Summary

THE STUDY IN 12 CONCLUSIONS

I

India is changing and so is the business environment in the country. From a country with few large local enterprises supported by the government and select few multi-nationals till a few decades ago, India has emerged as a country on an 'overdrive' – fast paced growth, inflow of foreign investments, strong and sure industry 'footprints,' enabling business environment, ambitious aspirations by local organizations, and a hectic entrepreneurial activity. This has put the spotlight on the most critical resource – talent. When you ask Indian CEOs to list their biggest challenges, 'developing future-ready talent' almost always shows up in the top three.

II

While the business context gets ever-more complicated, thanks to the Volatile-Uncertain-Complex-Ambiguous (VUCA) world, rapidly changing technology, and disruptive business models, enterprises continue to innovate in order to sustain growth. CEOs have done a good job to not only 'survive,' but also 'thrive' in the current complex environment. But they have not been getting the required support from the human resources (HR) function. CEOs claim that their HR function has often not been able to keep pace with business – unable to innovate, strategize, partner or execute to business leaders' satisfaction. Recent years therefore have seen a fair number of business leaders switching careers to head up the HR function. Interviewees across the region highlighted that the HR function in general, and senior HR leaders in particular, are not ready for the future! Only one in five leaders claimed that their HR function (in Asia) is future ready.

III

HR leaders in India pointed at three trends that are 'around the corner' but may 'sneak up' on them over the next decade. There is a global trend towards freelance workforce; next generation of employees may prefer to remain 'free agents,' selectively associating with different organizations. The workforce of the future will be more gender-balanced, multi-cultural, multinational, and multi-generational, and these groups have different work styles, preferred work flows, aspirations from work, engagement drivers, and flexibility requirements. And finally, thanks to new age enterprises, there is a strong trend towards flat organization

structures. The three trends – freelance workforce, increasing diversity, changing organization structures – while only 'likely possibilities' for now, may sneak up on HR rather rapidly and 'trip' the function.

IV

Business is not expecting HR to just 'assist' them with talent management. Increasingly, more and more business functions are looking at HR to 'add value' to what they are doing; not only advise business about talent strategies, but also to execute strategic projects; not only to manage fixed annual talent processes, but also to innovate to elevate overall employee experience. Five things CEOs expect of CHROs: 'speak my language,' 'teach like a CFO,' 'add value, earn credibility,' 'break the HR silo,' and 'help shape the culture.'

V

HR leaders were unanimous in their view that the function will evolve into a very different 'avatar' 10 years from now, especially around the broad role HR will play, deliverables it will be held accountable for, and the delivery model. HR leaders opined that while at the fundamental level, HR will still be responsible for people related processes, the function's role will become much broader. The lines between the HR function and other business functions will blur further. HR's responsibility set in the future will broaden, and become more multidisciplinary, as hard lines between different functions will diminish. And, the delivery model of the much leaner future HR function will depend heavily on technology and outsourcing/shared services.

VI

Incumbent CHROs and thought leaders highlighted three development areas that the HR community needs to work on – technology and analytic skills, since HR is rapidly evolving from a pure-play people orientation to a function with a strong technology and analytics backbone; 'true' partnering with business, for which, HR leaders need to understand organizational dynamics, business environment, critical drivers/levers of business, and have the experience and maturity to have 'equal eye' dialogue with business leaders; and, multidisciplinary skills, owing to the blurring of lines between different functions.

VII

The career path of future CHROs will be similar to that of current CEOs. There will be a premium on key skills and capabilities such as understanding of technology and analytics, familiarity with multiple disciplines, ability to manage change, and commercial acumen. Three key profiles of heads of HR are likely to bubble up over the next decade, on the basis of career paths, background, and experience the incumbent leaders have over the next few years – ‘global business partner,’ an HR leader who has a well-rounded HR and business experience; ‘business consigliere,’ someone who has moved from business to HR; and, ‘new-age avatar,’ an HR leader with a perfect mix of business-technology-HR skills. To get from ‘here’ to ‘there’ in terms of capabilities, HR leaders will need to think differently, build a different skill set, and get some critical experiences under their belt.

VIII

To prepare themselves for the future, Indian HR leaders will need to make serious efforts to change their perspectives around learning new-age skills, owning key tasks and responsibilities, and value add to businesses. To be even ‘relevant’ in a decade from now, HR leaders need to get better at their understanding of technology. While they may not need to master the technology terrain, they need to appreciate technology, understand how it can help improve HR processes, and have a point-of-view on available technology options as well as vendors. Future-ready HR leaders need to tweak their responsibilities and roles to suit future business environment. In particular, they will need to view themselves as less of ‘process champions’ and more of ‘guardians of employee experience.’ As lines between HR and business functions blur over the next decade, heads of HR in India will be expected to play a ‘trusted’ business advisor role, or a ‘doctor’ role.

IX

Since we are considering the scenario of an uncertain future, HR leaders opined that incumbent leaders can best prepare for the future by firming up their fundamental competencies such as learning agility, influencing ability, collaboration skills, resilience and strategic intent.

X

So what can a next generation HR leader do to become future-ready? Where should she invest her energy? What experiences will accelerate the development to the future-ready CHRO role in India? Research indicates five experiences that are must-have to be future ready. One, stakeholder engagement; two, participating in new initiatives; three, going through crucible experiences; four, pursuing non-obvious career paths; and five, cross-cultural experiences.

XI

With the speed at which business dynamics are changing, HR leaders may not have the luxury of time to learn, internalize and deliver. HR leaders need to get themselves and their team prepared for handling ambiguous assignments at times and still deliver results. Senior practitioners provided eight pieces of very pointed advice for next generation HR leaders. One – rotate out and spend a few years in business (if possible), two – do not shy away from hardship positions and crucible roles to polish your skills, three – try and get global experience under your belt early, four – get used to ambiguity, five - demonstrate agility to get quick business credibility, six – balance digital and emotional connect, seven – be courageous, and eight – lean on ‘people sciences’ a little more.

XII

‘The role of HR is all-pervasive and without an expiry date.’ While some thinkers predict that the HR function will cease to exist in a decade from now, it is unlikely to fade away. It may however look very different. People responsibilities will stay, albeit the workforce may become leaner. Building organization culture will be critical, especially with bots, machines, and flexible work arrangements in the equation. And, organization capability will have to be built, even though organization structures may undergo transformation. If anything, HR function of the future, irrespective of whatever it is called, will continue to play a critical role in the enterprise of tomorrow.



Sunil Puri

Asia-Pacific Director of Research,
Innovation and Product Development,
Center for Creative Leadership



HR FUNCTION IN INDIA:
SHIFTING CONTEXT

Changing Business Context in India

The business world in India is changing rapidly. While the business context gets ever-more complicated, thanks to the volatile-uncertain-complex-ambiguous (VUCA) world, rapidly changing technology, and disruptive business models, enterprises continue to innovate in order to sustain growth.

India continues to grow!

India, with its \$2.3 trillion nominal GDP in the year ended December 2016, is the sixth largest economy in the world. In fact, recent reports suggest that India—with a GDP of \$6.84 trillion—will emerge as the third-largest economy in the world by 2030, surpassing four developed nations: Japan, Germany, Britain and France.* The recent times have witnessed some disruptions in the Indian economy, particularly demonetisation and the implementation of the goods and services tax (GST). While in October 2017, the World Bank reduced India's GDP growth forecast to 7 percent for 2017-18 from 7.2 percent estimated earlier, blaming recent national decisions, it still maintained that the economy would claw back to grow at 7.4 percent by 2019-20.^ The growth presents a tremendous opportunity to both local businesses, and western multi-national companies as they fuel their expansion in the country.

VUCA is the new normal!

Businesses in India are not only expected to survive, but also thrive in the increasingly VUCA world. Erratic currency movements, stock price volatility, pockets of unrest and civil disturbances, and sudden policy shifts by national governments are some examples of changing contexts - two recent examples being demonetisation and implementation of GST across the country. Doing business is much harder in this rapidly changing scenario, and leaders at the helm need to be much more agile. Also, business leaders have very little visibility into the future, and therefore it is increasingly harder to prepare business strategies for sustained success.

Newer business models emerge!

Enterprises, especially start-ups, are experimenting with newer business models and presenting a threat to traditional players. As against traditional models centered around assets (e.g., a hotel), services (e.g., an executive search firm), or a technology product company (e.g., an ERP provider), many new age enterprises work on the "network orchestrator" model. They develop platforms to bring various partners together to enable them to transact business. Examples in India include FlipKart, PumpKart, MakeMyTrip, etc.

* Powering India's economic growth, LiveMint, 27 September 2017.

^ World Bank reduces India GDP growth forecast to 7% for 2017-18, LiveMint, 10 October 2017.

INDIA CONTINUES TO GROW

7% GDP forecast for India in 2017-18.
3rd Rank [projected] of Indian economy in 2030.

Source:
Powering India's Economic Growth, Livemint, 27 September 2017
World Bank reduces India GDP growth forecast to 7% for 2017-18,
Livemint, 10 October 2017

NEWER BUSINESS MODELS EMERGE!

In addition to three traditional business models — asset builders, service providers, and technology creators, new age enterprises are choosing to operate as network orchestrators.

Examples include Airbnb, Uber, Alibaba.

Source:
"What Airbnb, Uber, and Alibaba Have in Common",
Harvard Business Review, 2014.

V.U.C.A. IS THE NEW NORMAL

What changed for the market while you were sleeping?

Small, medium firms were limping back when GST added to pain: Stakeholders

Your money's no good: rupee note cancellation plunges India into panic

TECHNOLOGY IS CHANGING THE RULES OF THE GAME!

9 in 10 Indian companies have experienced disruption.

26% Indian companies 'don't know what their industry will look like in three years.'

Source:
Digital start-ups will disrupt businesses:
Study, ET Bureau, 16 October 2016.

Technology is changing the rules of the game!

Advances in technology are fundamentally changing the business environment, with media, information technology, banking, telecom, and retail sectors leading the way, thanks to leaps in big data analytics, mobile technology, and robotics. Regardless of industry, organizations are impacted by these changes, especially as it pertains to making investments and managing risk. Incumbent leaders we interviewed, highlighted that rapidly changing technology posed the biggest threat to traditional enterprises.

Current State of the HR Function in India

The business world is changing fast, and most leaders underestimate how different the world will look within another decade, say, by 2030. How will all these changes impact the world of HR?

Leaders pointed that business itself is grappling with the changing trends around globalization, technology disruption, changing business models, and this is one of the reasons why the expectation from the HR team have become sky-high.

Interviewees across the region highlighted that the HR function in general, and senior HR leaders in particular, are not ready for the future! Only one in five leaders claimed that their HR function (in Asia) is future ready.

HR in most companies in India is still considered an operational, gate-keeper function, often far from being 'strategic.' While several HR leaders in the region claimed they were playing a part-strategic role, their definition of 'strategic' was often limited to attending Board meetings, and business partnering. The capabilities most HR leaders seem to be working on for themselves and their teams were more functional in nature. Also, while several interviewees mentioned they were in the process of rolling out 'extensive' HR transformations, deeper conversation pointed to adoption of a version of the almost-two-decade-old 'tripod model' of HR delivery comprising business partners, centers of expertise, and shared services. Most interviewees concurred that HR function in general needs to play 'catch-up' with business.

There seems to be an explicit divide in terms of maturity of HR functions in India. Nishchae Suri, Partner and Head KPMG Academy, KPMG India, elaborated, "there are a few that have kept up with technology and disruption, but most have continued with status quo. And so, while some have embraced change, others have stumbled." Another HR leader pointed, "there is a gap between what HR function looks like and where it needs to be. HR needs to move away from transactional work or operations using the power of digitisation."

Key reasons for this state of non-readiness include the lack of nuanced business understanding, inability to deal with technology changes, lack of understanding of analytics, having a process-driven mindset, HR leaders taking a reactive approach to business partnership, and unwillingness to change. "We still believe that technology and wave of digital will not touch HR; from

what I see, the relevance of technology even in the next generation HR leaders is limited to social media; we are not looking at getting a deeper understanding of technology, digitisation and analytics," said K. A. Narayan, President – HR, Raymond Ltd. Prithvi Shergill, Advisory Partner, Tomorrow, added, "while professionals in the HR community would like to believe that the HR function has become integral to the company, its members still continue to talk about aspirations that it used to talk about several years ago. We still debate about 'getting a seat at the table,' or 'being considered a strategic business partner'."

The HR leaders whom we spoke to, warned that the non-readiness of the HR function (for the future), primarily owing to the lack of credibility with business, will inhibit growth of organizations as they expand their footprint across the country and in the region. "Traditional HR doesn't work," said T. N. Hari, HR Head BigBasket and Strategic Advisor at The Fundamentum Partnership. He summed up, "the ability to solve problems through a pragmatic approach and a deep appreciation of the business impact of people strategies is critical. You need to solve real problems and can't offer vague commentary and advice from the sidelines. Only those that solve real problems carry credibility."

FUTURE READINESS OF THE HR FUNCTION IN ASIA

Is the HR function in your organization future-ready?

ONLY
18%
SAY
YES!

Four Reflection Questions for HR Leaders

LEADER SPEAK

IS HR COMMON SENSE?

"If you ask me, HR unlike accountancy, law, engineering or medicine, is not a profession deserving a separate specialty. HR is a lot of common sense, and intricacies of people management are largely learnt on the job and through some special short interventions. HR can't advocate job rotations for everyone, but themselves not go through any rotation outside of HR. HR professionals who have never stepped outside of HR have a very limited view and tend to parrot the same old hollow phrases and jargon."



T. N. Hari

HR Head, BigBasket and Strategic Advisor at The Fundamentum Partnership

IS BUSINESS EATING OUR 'LUNCH'?

"HR is being asked this question only now (about business leaders coming in and leading the HR function) whereas today's CFO's who are predominantly Engineer MBAs have often done business roles prior to getting in to CFO functions. When a business discussion happens with no people related aspect to it, most times HR does not add value to that dialogue. In my mind, here is where a business leader leading HR comes handy. The only option is to manage HR as a business and scale faster through technology and simplified processes rather than through HR headcount growth"



Raj Raghavan

Director and Asia Pacific HR Leader, Amazon

IS HR TRANSFORMATION A GIMMICK?

"Concepts like HR Transformation need to be embedded in business. We do disservice to our function when we use these as marketing gimmick! We need to separate fads from business needs, and that is where our leadership maturity comes into play. For instance, some companies

instituted flexible work hours, work-from-home, telecommuting, out of a genuine business need; and it may not be very smart to copy these solely as next generation trends!"



Leena Sahijwani

Global Head HR - Quality, R&D and Talent Management, Sun Pharma

DOES HR SUFFER FROM A 'VICTIM SYNDROME?'

"We are a function that possibly feels a "victim syndrome". I wonder that as a salesperson who is representing a bad product to sell feels 'beaten' every day, is the HR community also suffering as they are the frontline to advocate an experience that employees are looking much more from. So, then HR people look for affirmation from business, and business says 'of-course you are adding value, you make sure the payroll happens on time, leave records are taken care of, are hiring and firing people for me as needed and so you are important to me.' While the line appreciates the importance of the talent agenda, HR as a function is being seen doing operational work and recognized as being a transactional expert. If this is what is playing out in organizations, we will keep doing transactional work at scale and get better and better at operations. And, the HR professional is not practicing skills to enable change management, transformation, strategy enablement - so while the stakeholder is looking for help with shaping strategy to address VUCA scenarios, the HR leaders in many organizations are only getting better at operations."



Prithvi Shergill

Advisory Partner, Tomorrow

Changing CEO Expectations

Business is not expecting HR to just 'assist' them with talent management. Increasingly, more and more business functions are looking at HR to 'add value' to what they are doing; not only to advise business about talent strategies, but also to execute strategic projects; not only to manage fixed annual talent processes, but also to innovate to elevate overall employee experience. Five CEO expectations interviewees pointed....

Speak my language!

One of the interviewees pointed that often business speaks French, while the HR speaks German, which creates disconnect between HR and business. "HR leaders should have a strong understanding of business dynamics and engagement economics and at times look through the lens of a business leader. They should urge their teams to have a sound understanding of analytics, strategy, long term priorities, return on investment and technology, while still walking the thin line of keeping the interests of talent workforce in mind and genuinely caring for them," pointed the interviewee.

Teach like a CFO!

Building and defending business cases basis data, having RoI-based dialogues, and talking numbers is what business expects of incumbent leaders. Interviewees pointed that while the CEO appreciates the human element HR brings into the dialogue, it is often not adequate for decision making. One of the HR leaders said, "HR has to speak data and interpret numbers; that wins credibility with the business leaders"

Add value, earn credibility!

Raj Raghavan, Director and Asia Pacific HR Leader, Amazon pointed that business leaders want to see evidence of value added, and that alone can provide credibility for HR leaders. "Businesses and business leaders are going to ask you, where can you add value, and how can you help build a disruption free operations," he said. Seema Nair, SVP and CHRO, Hindustan Coca Cola Beverages, added, "there will be more focus on organization capability. If anything you are doing is not aimed towards enhancing organization capability for the business, then you need to get out of that."

Break the HR silo!

Interviewees explained that a lot of HR in future will happen in business, outside the walls of the HR function; incumbent leaders therefore need to get adept at operating at the intersection of different functions.

Help shape the culture!

CEOs expect the HR function to play a critical role in shaping,

driving and guarding the enterprise culture. "In an era where morality, value and conscience are a bit of a question mark, one function that needs to be the task bearer is HR; how does HR leader provide a moral compass to the organization as we enter into future," said Sudheesh Venkatesh, Chief People Officer, Azim Premji Foundation. "Earlier if you got the hygiene factors right, you were fine. Now the expectation is that we have a very systems thinking approach to shaping the culture, and building organization capabilities so that it drives business outcomes," pointed Sheebu David, Head of HR, GE India Technology Centre.



SPEAK MY LANGUAGE



TEACH LIKE A CFO



ADD VALUE, EARN CREDIBILITY



BREAK THE HR SILO



HELP SHAPE THE CULTURE



LEADER SPEAK

"Now employees ask, what relevance is HR to me and what value add HR can provide to an average employee that my manager cannot. Employees come to the company to do meaningful work, and the question they ask is how can HR make it easy for me by fixing problems, removing barriers, or helping me perform better. So, what are you bringing to the party that my manager cannot?"



Raj Raghavan
Director and Asia Pacific HR Leader, Amazon

Three Potential Future Readiness Blindspots for HR

HR clearly needs to play catch-up with business trends that directly or indirectly impact talent and organization structures. HR leaders in India pointed at three trends that are 'around the corner' but may 'sneak up' on HR over the next decade.



Increasingly 'fluid' talent

There is a global trend towards freelance workforce. Next generation of employees may prefer to remain 'free agents,' selectively associating with different organizations. Several web platforms such as UpWork, Amazon's Mechanical Turk, and Witmart, are already catering to this segment. The benefits for companies using these sites are obvious - instant access to a pool of willing (and cheaper) talent, without having to go through lengthy recruitment processes. And, there is also no need to worry about associated benefits such as bonuses, overheads, vacations, and medical. The HR function needs to learn to deal with this imminent reality.

More talent diversity

The workforce of the future will be more gender-balanced, multi-cultural, multinational, and multi-generational. These groups have different work styles, preferred work flows, aspirations from work, engagement drivers, and flexibility requirements. The HR function needs to be ready for such varying demands from different segments of the workforce of the future.

New organization structures

Thanks to new age enterprises, there is a strong trend towards flat organization structures. "The corporate ladder is collapsing," commented one of the HR thought leaders. She added, "the ladder model dates back to the industrial revolution when businesses were built on economies of scale; we now however live in a digital age which is more collaborative."

HR therefore needs to figure out how to reward and incentivise talent to make horizontal or diagonal career moves, and not have a fixed view of career paths – that of a straight line going north! HR function not only needs to be aware of these three trends, but also start taking small baby steps to address complexities arising out of these trends, whenever they hit the enterprise in a big way.

LEADER SPEAK

"Owing to gig economy, digitisation and adoption of AI / machine language and robotisation at workplace, organizations will become much leaner in a decade from now. You will not have big HR functions; you will have fewer, but highly competent people. So how do you ensure that the concerns and complexities that arise out of digitisation, gig economy, application of AI and other robotic applications, multi-generation workforce, are addressed and that CHROs are able to create a sustainable competitive advantage to organizations."



Dr. Prince Augustin
EVP - Group Human Capital & Leadership Development, Mahindra & Mahindra

"Future will see a lot more diversity in the workforce. There are going to be multi-generation, multi-cultural, even multi-national workforce; their aspirations will be different. There will also be diversity in thinking as a result. And, HR will need to figure out how to engage them."



Sudheesh Venkatesh
Chief People Officer, Azim Premji Foundation

HR Function of the Future

HR leaders were unanimous in their view that the HR function will evolve into a very different 'avatar' 10 years from now, especially around the broad role the function will play, the deliverables it will be held accountable for, and the delivery model.

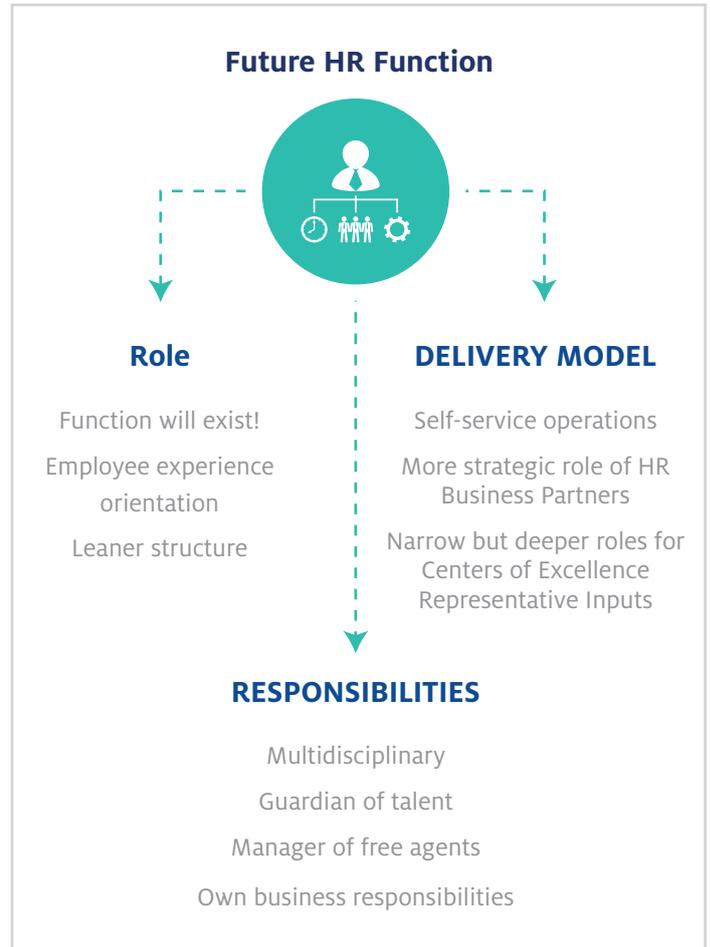
While it may look very different, the HR function will “not” cease to exist in the future. It may however morph into a different form – much leaner, with a core group of generalists and few specialists; may have different roles and responsibilities; may have a very different resource set to manage – a combination of full time staff and freelancers, machines, and bots; and may have a different structure – dispersed across the enterprise, as against organized as a separate silo. Interviewees pointed that there will be people development, culture building, engagement issues that the function will be expected to spearhead. And, it will need to oversee the talent processes, which may be done by machines or by shared services groups, based within or outside of the enterprise.

Role of the future HR function

HR leaders opined that while at the fundamental level, HR will still be responsible for people related processes, the role will become much broader. The lines between the HR function and other business functions will blur further. Krish Shankar, EVP and Group Head- HR, Infosys, pointed, *“in the past, there was a lot more focus on getting more rigor into functional stuff. What I see now, is a shift in focus towards relevance rather than functional rigor; it is more about agility and change.”*

Key responsibilities

HR’s responsibility set in the future will broaden, and become more multidisciplinary, as hard lines between different functions will diminish. Interviewees said that HR has to come together with finance, sales and marketing, and other functions to find talent and related solutions; HR heads cannot sit within HR and find solutions anymore. As talent becomes more fluid, and organizations lean on external freelance resources, HR will also evolve into a guardian role for external contractors. Future leader development will be the mainstay of HR responsibilities. Sudheesh Venkatesh, Chief People Officer, Azim Premji Foundation, explained, *“repeatable processes will get automated; what will remain is going to be the higher order work of people function, such as deriving insights from data, specific employee engagement matters that need people touch of high degree, design of organizations, etc., and they will require specialization and special capability.”*



Delivery model

The delivery model of the much leaner future HR function will depend heavily on technology and outsourcing/shared services. Prithvi Shergill, Advisory Partner, Tomorrow, explained - *“just like I get my ticket online, book my hotel online, order food and shop online, HR leaders need to rethink the analogue experience we offer to employees inside the organization, and redesign and deploy a digital experience that allows people to take accountability for transactions that they are best suited to make decisions on – for a hiring manager to source and select candidates, for employees to drive their own onboarding and integration, to make choices on the training and development programs that will help them, seek feedback, recognize and reward team members, to understand their compensation and benefits, seek new career paths.”*

So, What Does the Future Look Like?

LEADER SPEAK

MOVE FROM PRESERVATION TO DISRUPTION.

"Fifteen years ago when I was starting out, HR in most companies was more about preservation, bringing stability, preserving values and culture. Today the expectation [of HR] is to become all about disruption. The systems we created earlier used to have a life of a decade, now it is just a year. Challenge for HR is to build systems that can last longer than just a year."



Sonali Roychowdhury
Director - Human Resources, Indian Subcontinent and IMEA Distributor Operations HR, Procter & Gamble

MANAGE CHANGE AND GROWTH AGENDA.

"In the next 10 years the HR function will not exist as we know it. Most of the things we are doing today will be taken over by machines, and technology. Robotics will replace men and there will be very less to manage, machines and face recognition software will replace hiring process and predict exits, performance management and big data analytics will replace human instinct and most of the administrative responsibilities will be outsourced to IT enabled service providers at a much cheaper cost. HR leaders will only be managing the change agenda and the growth agenda, and sorting out issues and being a catalyst for change. The role will get limited to a very strategic level, partnering with the CEO to help him think through adaptability in a VUCA environment, and keeping them anchored in performance."



K. A. Narayan
President – HR, Raymond Ltd.

DEAL WITH CHANGING EMPLOYMENT CONTRACTS.

"As the nature of employment contracts is changing, the concept of 'employer' and 'employee' will change. So, in a gig economy, how do you engage, motivate, reward, people who are with you for a day or two. Traditionally, HR was called in when an organization had a contract with an employee; but in future, HR will need to think about its engagement with 'resources,' both full time and freelancers, and perhaps also machines."



Sanjay Jorapur
CHRO, Hero MotoCorp Ltd.

CAPTURE EMOTIONS IN A DIGITAL ENVIRONMENT.

"Bots will take over operational aspects of HR in the future and large scale interactive processes will get digitised, so HR leaders' role will be around transformation of the organizations, and finding ways to capture emotions in a digital environment. They must also leverage technology to fine-tune their quality of judgement."



Dr. Prince Augustin
EVP - Group Human Capital & Leadership Development, Mahindra & Mahindra

PROVIDE FLEXIBILITY

"Organizations are facing the gig economy pressure from both sides. Talent markets are changing and people are demanding flexibility and orgs do not want to get into long term commitments. Flexibility in the business is what they want."



Sudheesh Venkatesh
Chief People Officer, Azim Premji Foundation



***HR LEADER IN INDIA:
CURRENT & FUTURE***

Key Development Areas for Incumbent HR Leaders in India

Interviewees highlighted three development areas that current HR leaders need to work on as they progress their careers within the function – technology and analytic skills, since HR is rapidly evolving from a pure-play people orientation to a function with a strong technology and analytics backbone; ‘true’ partnering with business, for which, HR leaders need to understand organizational dynamics, business environment, critical drivers/levers of business, and have the experience and maturity to have ‘equal eye’ dialogue with business leaders; and, multidisciplinary skills, owing to the blurring of lines between different functions..

Must-have Capabilities Around Technology, Understanding Business, and Anticipating Change

Multidisciplinary Experiences ● New Age Skills ● Understanding Business

DEVELOPING MULTI-DISCIPLINARY SKILLS

“One area I feel we [HR leaders] lack is knowledge of multiple disciplines, and using that knowledge to craft the ideal solution that is effective.”

DEMONSTRATING BUSINESS IMPACT

“One skill that is very crucial for success is the ability to translate HR into expertise and strategic business outcomes.”

UNDERSTANDING BUSINESS CONTEXT

“HR needs to understand the business world, the economic climate and the customer and his needs.”

STRATEGISING WITH BUSINESS

“HR executives are consumed by tasks at hand. They often do not have interest to understand business challenges at the right elevation

ANTICIPATING CHANGE

“As we stare down the next five to ten years we must have the ability to anticipate change.”

BEFRIENDING TECHNOLOGY

“We need to be open to talking technology. Even if we don’t completely understand it, we must have a point-of-view on ‘why’ and ‘how’ technology can help, and ‘what’ the options are.”

FOCUSING ON INSIGHTS

“One thing I see us [HR] not doing particularly well is translation of data into meaningful insights. A lot of people shy away from what I’d call the science and data part of HR.”

Profile of a Future Head of HR

HR leaders opined that the career path of future CHROs will be similar to that of current CEOs. There will be a premium on key skills and capabilities such as understanding of technology and analytics, familiarity with multiple disciplines, ability to manage change, and commercial acumen. To build such skills, incumbent HR leaders (or their managers) will have to give themselves the benefit of and learn from crucible experiences like global assignments, cross-functional rotations, process redesign, and digital transformation.

Key capabilities

Leaders pointed that owing to an increasingly digital environment and the availability of extensive talent data, capabilities around technology and analytics are non-negotiable. The other capability that HR leaders unanimously pointed is the ability to understand different functions and disciplines. *“In future, traditional disciplines and functions will collapse because HR solutions will sit at the intersection of multiple disciplines,”* said Muniinder K. Anand, MD – India and South Asia, Center for Creative Leadership. *“The line between a CHRO and business leader will become really hazy in the future. And perhaps, CHROs will take on business roles with the changing times,”* pointed a leader.

Must-have experiences

Interviewees pointed the need for diversity of experience to be future ready. *“Companies value leaders who have experience of working in two or three different markets,”* commented a regional CHRO. HR leaders must also get some stretch experiences under their belt. For instance, leading certain strategic programs in their businesses such as culture transformation, or looking at technology implementation. *“One of the trust factor that any senior person has on HR guy is ability to manage the insecurity in transitions. If there is an M&A for instance, the insecurity in the air is phenomenal. The HR guy needs to manage the insecurity without showing a ‘big brother’ attitude,”* explained Nishith K. Mohanty, Group President - HR, Manipal Group.

Future Indian HR Leaders Need Critical Capabilities and Experiences

| CAPABILITIES | EXPERIENCES |
|---------------------------------------|---|
| HR functional skills | Led HR function |
| Understanding of multiple disciplines | Diverse / Cross-functional experience |
| Technology savvy | Developed and developing country stints |
| High level understanding of analytics | Executed business initiatives / agendas |
| Commercial acumen | Led large teams |
| Change management | Process redesign |
| Understanding of external context | Digital transformation |
| Deep business understanding | Working with new generation workforce |



LEADER SPEAK

“A leader must work in the uncertain world outside, so ability to work in unknown, uncertain territories will be a critical skill. You will have uncertain conditions going forward; knowing how to navigate those, manage those, will be critical.”



Rajesh Uppal
Executive Officer, Maruti Suzuki India Ltd.

“One competency in my current role, I am building on is how do you stay progressive and relevant when a lot of things in HR are changing. I am picking different roles in a way that I can build a certain kind of a muscle, based on my interest and gaps.”



Sheebu David
Head of HR, GE India Technology Centre

Three Flavors of Future Ready HR Leaders

Three key profiles of heads of HR are likely to bubble up over the next decade, on the basis of career paths, back ground, and experience the incumbent leaders have over the next few years – global business partner, business consiglieri, and new-age avatar.

Global business partner

Incumbent and career HR leaders with related qualifications; experience in global multi-nationals; stints/rotations outside of India, mostly in European or American head quarters. The one big strength of these leaders is that they have a deep understanding of HR best practices and competency models. These leaders however may lack in their understanding of business, technology, and cross-functional operations.

Business consiglieri

HR heads who have been business leaders in the past, or had a strong exposure to business, not in an HR business partner role, but in a frontline business role. These also include HR leaders who made a move to business, worked for a few years, and then went back to HR. Business conglrieris made a switch to HR, either out of their own choice or were asked to make the switch. They are deeply respected by business because they understand business challenges, having played a business role in their careers.

New-age avatar

The third category, and also the most in demand, according to executive search firm leaders, is the new age avatar. She is a young, new age leader who is a hybrid business-HR-technologist, all in one. Such leaders, much in demand, often come from new age technology companies and startups. They understand business since they would normally wear multiple hats, understand technology, and know the pulse of new age talent.



LEADER SPEAK

“The line leader who understands the importance of the people agenda has much more practice dealing with complex issues because he is dealing with these often independently on a day to day basis - as they look to enhance individual and collective contributions real time. He is dealing with performance coaching, network building, skill building, and influencing engagement. They have more practice doing what needs to be done to have a mature people agenda – and many times do not engage their HR Partner to help. So, an effective business leader will often see people with line management experience being a better strategic partner when it comes to people management issues as well because they can assist with navigating complex journeys for the team, while HR operations is being left to the HR leader to deal with (and where he is tending to spend much more time).”



Prithvi Shergill
Advisory Partner, Tomorrow

●●●● Rich Experience ●●●● Moderate Experience ●●●● Low Experience

| Experiences | Global Business Partner | Business Consiglieri | New Age Avatar |
|---|-------------------------|----------------------|----------------|
| Led HR function | ●●●● | ●●●● | ●●●● |
| Diverse / Cross-functional experience | ●●●● | ●●●● | ●●●● |
| Developed and developing country stints | ●●●● | ●●●● | ●●●● |
| Executed business initiatives / agendas | ●●●● | ●●●● | ●●●● |
| Led large teams | ●●●● | ●●●● | ●●●● |
| Process redesign | ●●●● | ●●●● | ●●●● |
| Digital transformation | ●●●● | ●●●● | ●●●● |
| Dealing with new age talent / workforce | ●●●● | ●●●● | ●●●● |



GETTING FUTURE READY:
FIVE MINDSET, SKILLSET,
EXPERIENCE SHIFTS

Five Mindset Shifts

To prepare themselves for the future, Indian HR leaders will need to make serious efforts to change their perspectives around learning new-age skills, owning key tasks and responsibilities, and value add to businesses.

To be even relevant in a decade from now, HR leaders need to get better at their understanding of technology. While they may not need to master the technology terrain, they need to appreciate technology, understand how it can help improve HR processes, and have a point-of-view on available technology options as well as vendors. In the data-driven future world, HR leaders will also need to understand how to use data effectively for decision making. A head of HR opined that though incumbent leaders understand the data, they are not well versed with combining different streams of data to make decisions.

Future-ready HR leaders need to tweak their responsibilities and roles to suit future business environment. In particular, they will need to view themselves as less of 'process champions' and

more of 'guardians of employee experience,' in the enterprise. Leaders also suggested that the HR heads need to be more protective of their own and their teams' time and effort. They need to focus their energy on activities that add most value to the enterprise. For the rest, they need to either push back, or find third-party owners.

As lines between HR and business functions blur over the next decade, heads of HR in India will be expected to play a 'trusted' business advisor role, or a 'doctor' role. Future leaders will also need to build their 'outside-in' perspective based on their understanding of business shifts, macro-economic changes, and competitor strategies, and translate those into talent implications for businesses, thus helping the business stay 'healthy.'

Five Mindset Shifts Indian HR Leaders Need To Make

| PRIORITY | CURRENT STATE | FUTURE STATE |
|---|----------------------|---------------------------------|
|  <p>New Age Skills Adopt technology tools for more efficient processes and data-driven insights for better decision-making.</p> | I. Tech-shy | Tech-friendly |
|  <p>Tasks & Responsibilities Tweak roles and responsibilities to suit changing business requirements.</p> | II. Process champion | Guardian of employee experience |
|  <p>HR - Business Interplay Engage with business to add maximum value.</p> | IV. 'Helper' | 'Doctor' |
| | V. 'Inside-out' | 'Outside-in' |

Shift 1: Tech-Shy to Tech-Friendly

Technology is the one driver that is rewriting how HR is done, thanks to the introduction of HR applications for talent attraction, development and retention; cloud-based storage at a fraction of the cost; and the use of specialized tools. HR functions also generate a lot of talent data – engagement scores, performance reviews, compensation data, leave details, to mention a few. Interviewees pointed that HR functions or HR leaders in general are not considered ‘best friends’ with either technology or data. “Anything that a machine can do should be done by a machine; and, anything that can have a SOP should be outsourced,” advised Raj Raghavan, Director and Asia Pacific HR Leader, Amazon.

According to the interviewees, while heads of HR in India don’t need to be or act like technologists, they must understand how technology can help HR and the key technology and vendor options available in the market. Incumbent leaders highlighted that HR function will always be under pressure as far as technology is concerned. Future leaders therefore should be well versed with technology to respond to employee technology needs. Krish Shankar, EVP and Group Head- HR, Infosys, explained, “the future HR leader needs to have a big picture on digital, technology and analytics. He will be responsible for ‘architecting’ HR systems and analytics in a way that is relevant to the organization.” Vishpala Reddy, Chief People Officer - India & South Asia, Uber, added, “as you think about automation, chat-bots, etc., we love to talk about it, but how much have we used in HR to improve existing processes? Not much. We need to have less dependence on people, less face time, and instead become super strategic, more consultative, and sit close to the where CEO’s mind is.”

HR is traditionally also not known for early technology adoption. Case in point: slow adoption of social media. While social media has been talked about for many years, it is only recently that companies have begun to make a big push for talent initiatives on social media, mainly for recruiting, engaging, retention, and training. HR leaders highlighted two reasons that cause delay in technology adoption, in addition to general inertia – budget constraints, and user adoption being an afterthought. HR leaders also pointed that the function is a slow adopter of technology because as a cost center, businesses seldom want to spend money on something which will be hard to definitively quantify in terms of financial benefits.

Another HR leader cautioned that the function must understand the propensity to consume technology in their organization, and be realistic around ‘how little is too little and how much is too much.’ And, in organizations that have the capacity to consume technology, HR just needs to ramp up their understanding and play along; they don’t have a choice. “We will have to be tech-friendly; for example, if we are going to deploy artificial learning, we will need to understand varied technologies and what they

“ LEADER SPEAK

“Digital is going to be a big thing – it is about meeting your employee where he or she is; it is not about posting a policy/ process on the platform, it is about how the message reaches the employees through multiple channels of their choice, in order to ensure that the change happens.”



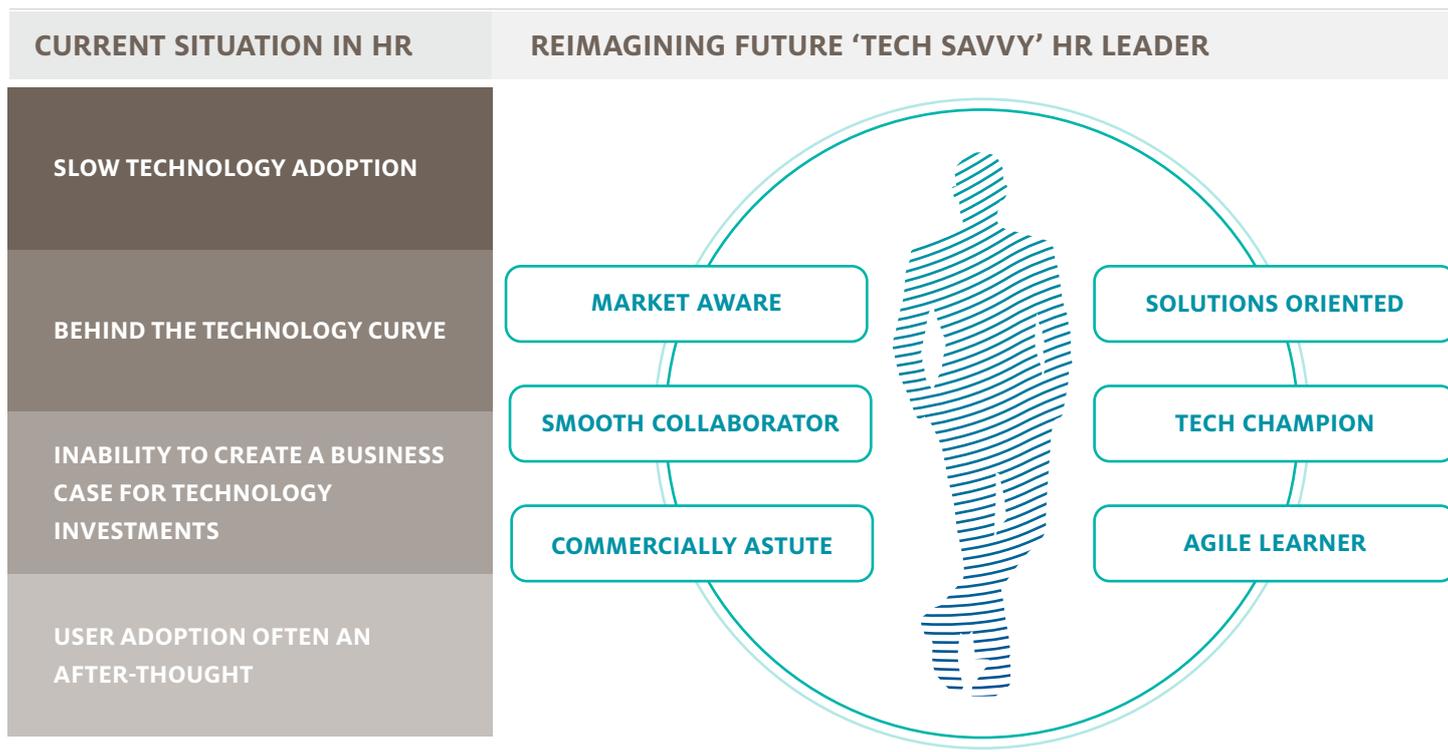
Ajay K. Soni
Chief Learning and Leadership Development
Officer, Aditya Birla Group

can deliver, even if the current application is in business/ social areas and not in HR,” explained Ajay K. Soni, Chief Learning and Leadership Development Officer, Aditya Birla Group.

Talking about the future of HR, and the critical need for analytics in future-ready functions, Rajesh Uppal, Executive Officer, Maruti Suzuki India Ltd., commented, “going forward, the digitization that is happening in the industry will impact HR, so your ability to understand data and analytics will be critical, to consume data to take the right decision will be a big change to happen in the leadership of tomorrow.” Talking about the benefits of technology and analytics, Dilpreet Singh, Vice President – HR, India and South Asia, IBM, elaborated, “technology is changing the HR service delivery model. Organizations with high performing HR functions have embraced technology and have witnessed significant results by leveraging big data and analytics.”

In terms of analytics-friendly mindset, HR leaders need to graduate from having a ‘reporting’ mindset to a strategic mindset. For instance, from reporting retention numbers, they need to evaluate how they can retain the right set of people.

HR Tech - Now & the Future



Leaders however cautioned that HR needs to get over this mentality to send staff to analytics workshops and events in a hope they will learn this capability. They were of the view that HR may be better-off extensively training a select few, or hiring analysts and experts from outside.

Commenting on how this wave of digitalization, technology, analytics may rewire the roles of various constituents of the enterprise, Sudheesh Venkatesh, Chief People Officer, Azim Premji Foundation, said, *“there will be a significant shift from being an enabler to being an integral part of business and providing business insights. Employee issues will remain and HR will be responsible for solutioning that, but while earlier it was being provided as a support externally from a specialised function called HR, post digitization and automation, the engagement piece can be built into the business itself.”*

“AI may take jobs away, but what will fundamentally not change is how you identify and build talent with a sense of the purpose. HR will need to harness and keep that alive despite a lot of moving pieces. High level of social and emotional intelligence and perceptiveness will be required. As more things get replaced by technology, the role of HR will need to be much more perceptive,” added Sonali Roychowdhury, Director - Human Resources, Indian Subcontinent and IMEA Distributor Operations HR, Procter & Gamble.

HR leaders at organizations who are further down the analytics journey had four pieces of advice for organizations and leaders warming up to the idea of using data analytics - One, start

thinking about data more holistically; two, think about outcomes rather than tools and processes; three, don't worry about training incumbent teams on analytics and build capability instead; and four, ask the right questions!

“ LEADER SPEAK

“Make technology your friend. But you need to have an understanding of degree of human involvement – whether processes require low or high touch. For instance, could a performance conversation be fully automated? No. Because the nature of this activity is such that while you may use technology to facilitate the process, the conversation is as much rational as it is emotional. The dialogue between a manager and employee is an integral part of the performance process, that cannot be replaced by a machine. We need to have a clear understanding of how technology will be used, how much and the context in which it is applied, before we deploy it.”



Nishchae Suri
Partner and Head KPMG Academy,
KPMG India

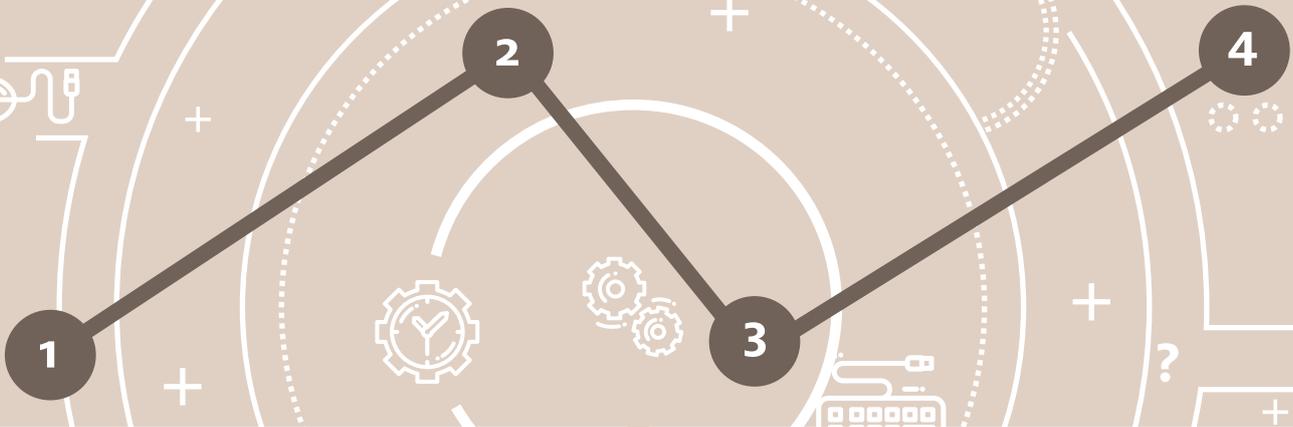
How to Make the Most of Analytics Investments – 4 Pieces of Advice

STOP worrying about tools,
START focusing on outcomes

“There is currently a lot of chatter around analytics/big data tools. While they are important, it is equally or more critical to focus on data management, data sanitization, inter-departmental collaboration, and going after the right business problem.”

STOP spending resources on building competencies,
START building capability

“I am not so sure, sending my HR team for analytics courses is the best approach to get smarter on HR analytics. I’d much rather work with external consultants, or acquire talent from outside. For instance, thanks to the slowdown in the financial services industry, there is analytics talent available in the market...”

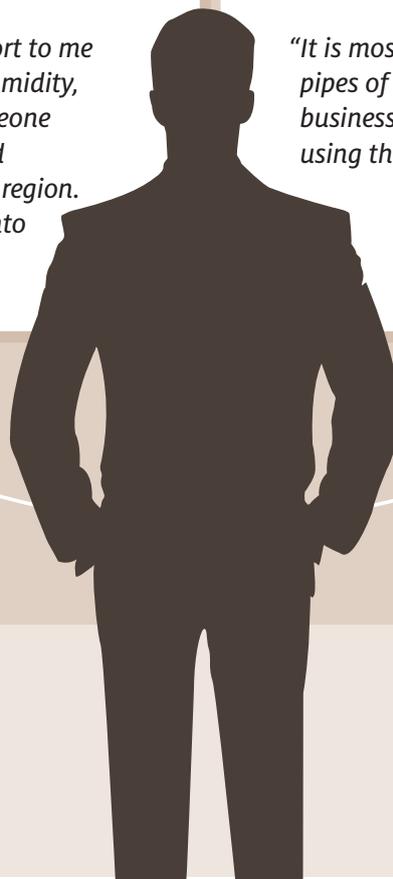


STOP thinking piecemeal data,
START thinking holistically

“It is nice if someone brings a weather report to me that tells the temperature, wind speed, humidity, etc. But what is really useful to me is someone being able to combine these data sets and predict likelihood of floods in a particular region. It is that translation of 3 pieces of data into something that is meaningful to me...”

STOP trying to master the process,
START asking the right questions

“It is most critical for the HR leaders to know the pipes of data they are generating, and critical business questions that they should seek answers to using that data.”



Shift 2: Process Champion to Guardian of Employee Experience

HR executives often wear the 'process champion' hat, and take great pride in claiming to completely understand policies, systems, rules and compliance requirements around human resources management. Anecdotal evidence suggests this is especially true of HR executives who started their careers in the administration function, and graduated to an HR leadership role in their mid to late career period. Because of the process-centric view of the function, HR executives may tend to show business leaders the rule-book when they seek non-conventional talent related support.

In a decade, most of the HR processes that are rule-based or hard wired will invariably be automated and pushed to the self-service domain. HR leaders informed that their CEOs are increasingly expecting the function to own the employee lifecycle, both from better efficiency and superior experience standpoint. "HR operations will be automated, and HR will play a greater role in bringing about people centricity much more strongly; while you can be a business partner, you got to be championing the culture. The future will be less about operations, and you will have to become a great 'champion' of talent," explained Krish Shankar, EVP and Group Head- HR, Infosys.

To make the switch from process-champions to guardians of employee-experience successfully, HR leaders may want to take a lesson or two from customer experience teams in their organizations. Just as customer experience teams manage the internal coordination to give customers superior experience without having them to deal with different internal departments, HR teams will also have to become a one-stop point-of-contact for employees for all and any employment related experience.

To be effective guardians of employee experience, HR leaders will need to be closer to the employee lifecycle journey in their enterprises, and go beyond their comfort zone and reach out/collaborate/learn other functions such as technology, operations, finance, design, knowledge management, and even facilities management and legal. "Working collaboratively is the key to a successful HR function in the future. Today, it is far more important to leverage each-others' strength and collective intelligence. You cannot run with the feeling that I have all the knowledge," explained Dilpreet Singh, Vice President – HR, India and South Asia, IBM, about the importance of HR function collaborating with other entities within the enterprise.

In a way, HR leaders of the future will need to work at the intersection of different functions to architect superior employee experience. Incumbent leaders pointed that it will be a hard journey. HR leaders will first need to be self-aware of their capabilities and development areas, be collaborative with other functions, and have the agility to learn new disciplines.



LEADER SPEAK

"The HR function of the future will need to up its game on employee experience. The focus will shift from employee satisfaction to employee experience. We are in a customer centric world today, and each individual wants to be treated like a customer on every platform."



Dilpreet Singh
Vice President – HR, India and South Asia, IBM

"The long linear processes in HR are breaking up; for instance, I don't need to wait for 18 months to re-evaluate employee engagement. As processes break up, you need to lean on tools and technologies to evaluate thin slices or units of those traditional processes, and that's where the role of data and digitisation also becomes very critical."



Sanjay Jorapur
CHRO, Hero MotoCorp Ltd.

Process Champion

Rule-book driven
Tech shy
Operates in a HR silo
Tactical
Operationally focused



Shift to Employee Experience Role

Guardian of Employee Experience

Owns employee lifecycle
User experience centric
Digitally savvy
Intersects multiple functions
Futurist/strategist

Shift 3: Doing-All to Doing-Only-What-Matters-Most

Interviewees highlighted that in a decade, a lot of HR leaders will be expected to wear a 'business hat.' "My day to day is 30 percent HR and 70 percent strategy and business; I am not doing much HR now, and that is the future of the HR leader in my view," said Nishith K. Mohanty, Group President - HR, Manipal Group. The refined role will require HR leaders to do a lot more than what they are currently responsible for. HR leaders therefore opined that the function should be more selective in activities or responsibilities it takes up.

"Because the HR function is seen as an enabler, there are going to be pointed questions - what is your impact, how will you justify your value, what is the value you are adding?" said Sudheesh Venkatesh, Chief People Officer, Azim Premji Foundation. There are activities that fall in the HR terrain currently where the function is not adding much value. HR has taken up such activities either because businesses do not want to own those, or because they are loosely connected to people priorities (but often not central to the talent agenda). Not only businesses, but also employees are asking the 'value question' of HR functions explained interviewees. Nishith K. Mohanty said, "employees want to understand how HR is improving my employability. That is the question we need to answer - what kind of marketability and employability the HR guy is bringing about."

Interviewees pointed several examples of activities that drain HR's energy and time, but do not add a lot of value (termed by some thought leaders, as 'time wasters'). For instance, some thought leaders questioned the extra-obsession with activities, priorities and drivers around 'millennials.' "We were different from our managers when we started our careers, and so were our managers," commented a leader. "Gen-Y is perhaps a little more different as compared to us when we started our careers, but why are we kicking up a fuss about that," she added. Another example is HR's role in driving the diversity agenda. Many organizations define their diversity agenda very narrowly, only in terms of gender diversity. Thought leaders questioned if HR has a big role to play on who gets promoted or hired, as it is broadly a hiring business managers' responsibility.

Be Selective in What You Own!

Is HR the Right Owner for ...



Payroll

"Payroll belongs under Finance with maybe a dotted-line reporting structure to HR because of the nature of their work. Why should HR in many organizations remain responsible for this function?"

Diversity Agenda

"Employment law prohibits diversity mandates in hiring and promotion practices, so companies try to change line managers' attitudes and priorities instead. But such efforts are effective only if top executives lead them, transforming the culture. Otherwise HR is just a cheerleader for an initiative it can neither enforce nor measure."

Millennials Strategy

"Many HR departments spend a lot of energy worrying about how Millennials want to work. Given all the other things to worry about, it shouldn't be a priority to learn how to manage one subset of subordinates differently."

'Influence' Your Work Portfolio: 3 Tips



Use the Responsibility - Authority - Value filter while selecting tasks



Develop the ability to say 'No' to business



Try and link key tasks to measurable impact



LEADER SPEAK

“As against HR doing everything in the organization, the HR leader of tomorrow will need to have an astute sense of what and how to de-prioritise things that are not adding value, and instead leverage partners, shared services, vendors, technology. And, use the HR bandwidth on initiatives that need people expertise. It may however be harder to get this ‘monkey off your back’ in some enterprises/industries.”



Vishpala Reddy
Chief People Officer - India & South
Asia, Uber

A subset of incumbent leaders claimed that in both cases – ‘millennials’ and ‘diversity’ – we want managers to behave differently to a segment of employees, which is not the right thing to do from a meritocracy standpoint, and is perhaps not completely within HR’s control. Some leaders also cited an example of HR managing wellness programs. *“Why are we taking ownership of making employees fitter? It is a noble agenda, but is that our job?”* questioned an HR leader. Examples cited point that HR may be taking up too many activities where there are no takers, or where HR has ‘somewhat’ responsibility but little authority to make any tangible difference. Some leaders opined that HR may be instead better off focusing on building a culture where a diverse workforce can work well together, and leave the rest to businesses.

Interviewees suggested that HR must gradually, over the next decade, tweak its portfolio such that its key tasks reflect the right ‘authority-responsibility’ balance. What does this mean? For instance, if ‘millennials’ is an agenda HR needs to pursue, then it should have the authority to make (business) managers accountable for their behaviors towards this segment of talent. Otherwise, HR is, at best, just hoping that managers will comply.

In this regard, research points that the one development area that is consistent for most HR leaders is ‘self-confidence.’ Lack of confidence may often manifest as inability to have tough conversations or an equal-eye dialogue with CXOs and leadership teams. HR leaders felt that the function heads will need to get better at having ‘uncomfortable’ conversations with business leaders in order to push-back taking on responsibilities that may not add a lot of value, or that may be best housed elsewhere in the organization, or even outsourced.

“Ability to say ‘no’ is a skill that comes very poorly to HR,” pointed Vishpala Reddy, Chief People Officer - India & South Asia, Uber.

She explained, *“we are looked at as a fuzzy function and part of it is true cause we believe the success of the function is dependent on business leaders, while it is true that it is important to focus on the client... I do think we need to take some of that control back.”*

Finally, since return on talent investments is always a concern business leaders have, HR leaders need to get better at identifying and measuring value created through talent interventions. This ability will enable heads of HR to negotiate better with business as they prioritize interventions and initiatives to go after from a talent standpoint.

Summarizing the third shift – from doing-all to doing-only-what-matters-most, there are three critical capabilities HR leaders must imbibe and demonstrate for the function to play a significant role in future enterprises:

One, use the responsibility-authority-value filter while selecting tasks. *“A lot of things where there are no owners end up with the HR function,”* highlighted a regional HR leader. *“While often HR has the responsibility and accountability for such initiatives, there is no or very little authority to make changes,”* she added.

Two, HR must develop an ability to say ‘No’ to business. *“Asian HR leaders need to work on their ability to influence, especially courage to challenge in the ‘right’ manner,”* pointed a regional HR leader.

And three, in order for HR to be more protective of their time and develop solid credibility, leaders must try and link key tasks to measurable impact. *“I use a 60-40 principle – at least 60 percent of tasks I or my team takes up should have measurable, direct impact,”* highlighted a leader, sharing his approach to ensuring value addition by his team. *“The question I ask my team is – will our CFO understand the value of the initiative?”* he summed up.

Shift 4: ‘Helper’ to ‘Doctor’

Interviewees noted that HR business partners need to graduate from a reactive ‘support’ role to business or at-best just advising business leaders on HR processes, to gaining the credibility as ‘trusted’ partners in strategic initiatives, or playing the proactive ‘doctor’ role. What CEOs may expect from HR is to play an equal-partner role with businesses as they try and unravel the future to take the organizations forward.

In most organizations – both multinationals and local enterprises – HR plays an ‘order taker’ role. The mentality most HR leads have is that the raison d’etre for their existence is to support businesses achieve their objectives. HR leaders pointed that this may be a ‘reactive’ stance. *“Intent and Intensity of the business leader has changed; the openness to experimentation has increased, and the expectations from HR have changed drastically,”* said Raj Raghavan, Director and Asia Pacific HR Leader, Amazon, referring to paradigm shifts within the HR function. He added, *“today when I talk to my CEO, it is not about HR processes but about how HR can solve business problems for him or her. The questions are more around – are you relevant to the business, and what business problems can you solve for me, rather than what HR processes you can set up.”* That is the ‘flavor’ of the HR leader of the future.

In some organizations however, HR actually plays a ‘proactive’ role in true spirit. It looks out, senses trends, evaluates internal health, and proactively advises businesses on what they should be doing to get maximum returns from their talent interventions.

HR business partners will need to graduate from ‘order takers,’ to critical resources who could execute strategy projects and help shape business. HR leaders themselves therefore need to take the posture of putting aside hardwired processes, understanding business requirements, and partnering on equal-terms with business heads.

But are HR leaders equipped to play the ‘doctor’ or critical trusted advisor role? One of the interviewees commented that the fault lies in how we position the HR business partner role. Often young MBAs with 5-6 years of experience are staffed in the HR business partner role; they may be ‘smart and capable’ but will seldom be seen as a ‘true’ partner due to the lack of experience and in some cases understanding of the breadth of talent and business landscape.

Interviewees reiterated the need to understand business to speak the CEO language, and to play the trusted advisor role. *“So what does it mean to ‘understand business?’* questioned Leena Sahijwani, Global Head HR - Quality, R&D and Talent Management, Sun Pharma, explaining that while the HR leader needs to understand the drivers of business, she need not be as adept is running business operations as a business leader.

She explained, *“knowing challenges they [businesses] have and defining those in terms of the human interface; your ability to spot that and guide accordingly, is what it means to understand business.”* Another interviewee pointed that to play a trusted business partner role, next generation HR leaders will need to be good at discovering patterns, collaborative decision making, and networking, in addition to functional capabilities such as design thinking, analytics and story-telling.

Explaining the ‘doctor’ role, Prithvi Shergill, Advisory Partner, Tomorrow, commented, *“I often say that the Finance leader*

HR Business Partner as Trusted Advisor

KEY DRIVERS



BLURRING LINES BETWEEN BUSINESS AND HR



DIGITIZATION AND AUTOMATION OF THE HR FUNCTION



STRATEGIC EXECUTION ROLE FOR CHROs

MUST HAVE POSTURE

“Let me partner to grow business”

“Let me execute strategic interventions to help grow business”

“Let me co-own some business initiatives with you; it will help me understand what business does better”

“I will look out for what our competitors are doing on the talent front, understand economic changes, and design/tweak our talent strategy accordingly”



LEADER SPEAK

"The HR leader has to learn very fast how to get credibility; business should see you as the person who can value add at the time of the need."



Nishith K. Mohanty
Group President - HR, Manipal Group



LEADER SPEAK

"HR is not a people function, it is a business function! That is a misconception a lot of people have. In my mind it is a business function. So understanding of the business is extremely critical."



Seema Nair
SVP and CHRO, Hindustan Coca Cola Beverages

behaves more like an organizational doctor, as he uses his functional knowledge and specialization to diagnose the issue, understand cause and effect using past experience and theory, recommend the solution, possible ROI and business case." He added, "the HR leader often forgets to consider people sciences that form the foundation of our function, when asked for advice, and instead comes across as sharing policy, process information and common sense. Either he does not remember or does not apply psychology, behavioural economics, cognitive neurosciences that can influence the desired outcomes. They [HR leaders] believe theory is embedded into the process, but that's often not true."

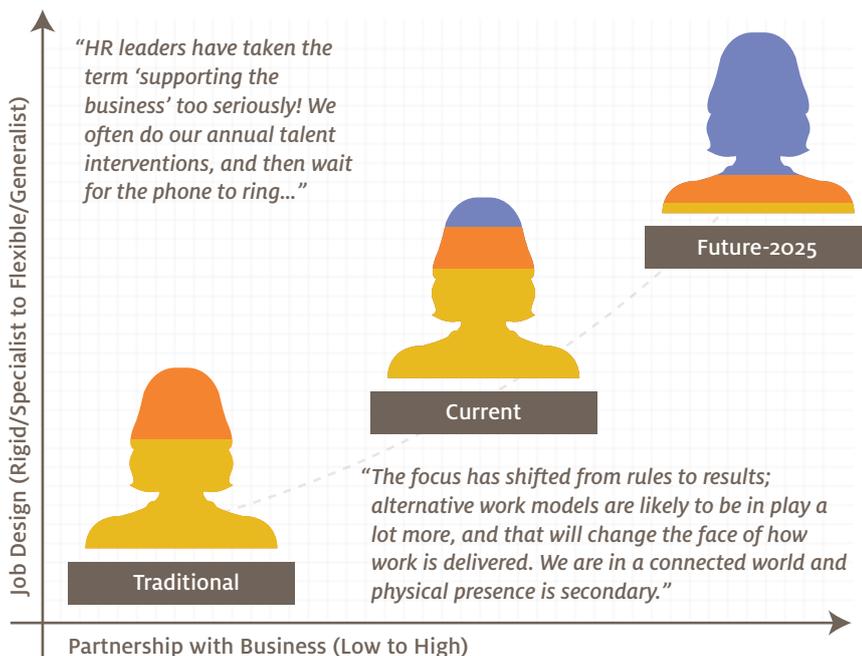
Before hoping to get the 'trusted advisor' or 'doctor' image, HR leaders need to build credibility with business, and interviewees pointed that delivering early results in 'whatever is thrown at you' by business is one way of doing that. "HR leaders of the future must manage change, build credibility, and show results. I'd suggest, first build your trust and credibility before you go for the

large roll out. Find the right resources, the best methodology, and how to measure the impact of what you are doing," said Rajesh Uppal, Executive Officer, Maruti Suzuki India Ltd.

"Skills in business communication are a must; unless you can articulate your message well, you will not be able to get the right attention," advised Dilpreet Singh, Vice President – HR, India and South Asia, IBM.

"Understanding the business and the leaders will continue to be important in the future, but translating that back into action steps will be critical. At least being able to read a balance sheet and P&L statement at the very minimum will be critical; how do we make money, who are our customers, who are the competitors, etc. What are the big buckets of costs, and where are we from benchmark standpoints?" summed up Seema Nair, SVP and CHRO, Hindustan Coca Cola Beverages.

EVOLUTION OF THE 'DOCTOR' CHRO



| STRATEGIC ROLE |
|---|
| <ul style="list-style-type: none"> Part-business owner External environment sensor Internal consultant Strategy executor Leadership developer Change driver |
| OPERATIONAL ROLE |
| <ul style="list-style-type: none"> Trainer Recruiter Employee mediator HR compliance officer Policy implementer |
| ADMINISTRATIVE ROLE |
| <ul style="list-style-type: none"> Payroll executor Policy maker Technical expert Welfare officer |

Shift 5: Inside-out to Outside-in

Interviewees pointed that incumbents who have been in one function within HR, or one organization for a long time, may have a closed mind towards experimenting and risk taking. HR leaders may need to look out, observe the context, evaluate competition, learn new practices, and integrate new learnings into the talent strategies of the enterprise.

With the VUCA world we live in, the world where newer business models are emerging, newer technologies are emerging, taking an inside-out view is not likely to take us in HR too far.

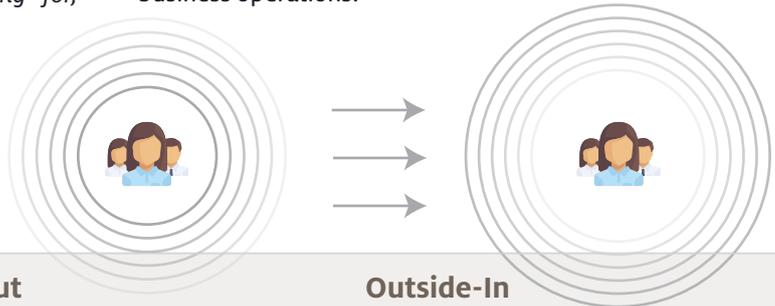
HR leaders of the future need to be aware of what is happening in the world, the latest trends, what is working, what is not. Especially because HR leaders need to prepare for the future world we don't know about. HR leaders of tomorrow not only need to know their organization and the drivers that are impacting their organization, they also need to be aware of the latest practices that are working in other enterprises, tactics their competitors are deploying on talent as well as business front, and mega trends across the globe, especially in India.

This is especially critical because CEOs will increasingly look at HR as not only a guardian of talent in the organization, but also as driver of key strategic changes in the enterprise. HR leaders claimed that the stance of HR needs to change from "why it will not work in my organization," to "how can I adapt it to make it work in my organization." "We need to create time for HR people to understand what is happening outside the organization they work in and not just focus on navigating internal stakeholders. This enriches the advisory conversations leaders are looking for,"

explained Prithvi Shergill, Advisory Partner, Tomorrow. He explained, "for instance, I told someone on my team, I am OK if you work 4 days a week, so you have time to write the book you are writing as that will help us capture your insights for use by many and not just you or your team. HR leaders need to understand what other organizations are doing today, apply these insights to their context and create next practices for their organizations that will help them grow tomorrow, as the policies and processes we have today were shaped yesterday."

So how do HR leaders develop an outside-in approach? What can they do on a day to day basis in terms of their career-moves to develop that mindset. We heard three tactics or pieces of advice from senior leaders. One, HR leaders need to get international experience under their belt to develop a better understanding of the world outside of their home country. Two, HR leaders need to 'build connections' or networks with executives outside of their organization, in addition to having deep trust with stakeholders within. And, three, HR executives need to diversify their experiences, both within and outside of the HR function. Opting for business rotations may be seen as a career-risk by some, but is an invaluable experience as HR leaders attempt to understand business operations.

Shift from Inside-Out to Outside-In



| Approach | Inside-Out | Outside-In |
|------------------|---|--|
| Profile | Long tenure in one company/industry/country | Multi-country/multi-industry experience |
| Interaction | Mainly internal stakeholders | Internal and external stakeholders |
| Responsibilities | Mainly HR Processes, compliance and systems | Strategic HR; best practices identification and implementation |
| Network | Internal; closed | External; open |
| Posture | "Why it will not work in my company?" | "How can I adapt it to make it work in my company?" |

FUNDAMENTAL MINDSHIFTS REQUIRED

Current State

Future State

Tech-shy



Tech-friendly

Process champion



Guardian of employee experience

Doing-all



Doing-only-what-matters-most

'Helper'



'Doctor'

'Inside-out'



'Outside-in'



Five Must Have Skills for Future Ready Indian HR Leaders

Since we are considering the scenario of an uncertain future, HR leaders opined that incumbent leaders can best prepare for the future by firming up their fundamental competencies such as learning agility, influencing ability, collaboration skills, resilience and strategic intent.

HR leaders opined that rather than spending time learning new skills, incumbents should invest energy in learning the 'art of learning.' An HR leader mentioned, "we are talking about 10 years on, and we don't know what the world will look like then, so we need to polish our learning skills, not functional competence or technology skills." "In past, there was a lot more focus on getting more rigor into functional stuff. What I see now, is a shift in focus towards relevance rather than functional rigor; it is more about agility and change," added Krish Shankar, EVP and Group Head-HR, Infosys.

Working through the matrixed organization structures, complex reporting lines, global operations, HR leaders must have influencing skills to play a more impactful role in the future, and the ability to cooperate and collaborate with other business functions. The fact that a lot of HR may happen 'outside' of the HR function adds to the need to influence and collaborate. Future HR leaders will need to influence down, sideways, and up. "Imagination and courage is critical – how do I solution for a challenge? And do I have the courage to implement; how to get points of view from different people; and, external focus- what are people doing outside the company," explained a leader. "Sitting in boardroom meetings is an activity that takes up our time but what are we doing sitting in that board meeting is more critical - are we able to influence the thinking of people around the table, is the question we should be asking ourselves," commented a regional HR leader.

Owing to the VUCA environment and constant change, the HR leader of the future will need to be resilient. "One of the abilities required for the HR leaders as much as by other leaders is disruptive envisioning: the ability to think differently and big, have the courage to challenge the status quo and plan for the future that's unpredictable," explained Chaitali Mukherjee, Partner-Consulting, People and Organization, PwC India, while pointing that HR leaders will need to think out of the box to deal with change.

Finally, the HR leaders of the future will need to 'wear' a strategic 'hat' much more than before. "Our [HR leaders'] ability to connect the dots will be critical; there will be a premium on cognitive ability, connecting the dots and business acumen," mentioned Ajay K. Soni, Chief Learning and Leadership Development Officer, Aditya Birla Group. He added, "design thinking as a key way of developing solutions will be at the fore for HR professionals; story telling as a way of leading will help HR leaders create new paradigms; HR leaders will need to be the epitome of value-based leadership, upholding not only the organisational values but also the human values." K. A. Narayan, President-HR, Raymond Ltd. pointed, "HR leaders must have the world view of how multiple forces will impact change. They must broaden their perspective on geopolitics, economy, political situation, currency movement, and technology. You do not stay within the box of HR, but become a broad-based leader where you are able to argue your case in the Boardroom."



LEADER SPEAK

"Future HR leaders need to have the ability to understand the strategy of the future and the capabilities required for the future. Now, there is limited clarity on what future holds, so ability to make sense of multiple open elements and deal with unpredictability will be the key. HR will need multi-dimensional sense making - the need to know their own specialisation but also their ability to know how to apply that in a completely different context, cause the context is not clear."



Chaitali Mukherjee
Partner - Consulting, People and Organization,
PwC India

FOCUSSING ON THE FUNDAMENTALS

Learning Agility

"Change is a way of life. The mind-set needs to be flexible. You need to continuously learn, take risks, move outside your comfort zone and outside HR to make an impact. Everyday is a new day and you can't rest on yesterday's laurels."

T. N. Hari

HR Head, BigBasket and Strategic Advisor at The Fundamentum Partnership

Influence

"In most cases, HR was the primary decision-maker for people related interventions. They would say - I choose my technology, my processes and so on, but now decision making is collective and rightly so. There are many more stakeholders in the equation and that is helping HR innovate and get closer to the business."

Nishchae Suri

Partner and Head KPMG Academy, KPMG India



Collaboration

"Working collaboratively is the key to a successful HR function in the future. Today it is far more important to leverage each-others' strengths, and collective intelligence. You cannot run with the feeling that I have all the knowledge."

Dilpreet Singh

Vice President – HR, India and South Asia, IBM

Resilience

"Resilience is a critical must - have attribute; being beaten up and having the ability and courage to bounce back after you have fallen is the key."

Rohit Thakur

Head of HR – India, Accenture

Strategic Intent

"Apart from the standard set, he [HR leader] has to have a good understanding of the big picture about the culture, the strategy, and how things are working. So you need to start thinking like a CEO and evaluate whats happening to the business!"

Krish Shankar

EVP and Group Head- HR, Infosys

Five Experience Shifts

The big question is - what can incumbent HR leaders in India do in the next five years to better prepare for the future? Research indicates five experiences that are must-have to be future ready...

HR function of the future will look very different. The leader of the future, on the one hand will need to get smart at keeping an oversight of lights-on processes and systems, while on the other hand, she will be expected to play a much more strategic role. Leena Sahijwani, Global Head HR - Quality, R&D and Talent Management, Sun Pharma, highlighted that the HR function needs to have a deep business orientation. She said, *"I feel the role of HR is to do 3 fundamental things – one, look at the organization capability on meeting business demands, and to make sure it will stand the test of time for 2 to 3 years; two, make sure the processes are attuned to the challenges in the business, and flexible enough to align with the maturity level of the business; three, ensure the organization structure is aligned to meet business needs, and linked to the capability development."*

Ajay K. Soni, Chief Learning and Leadership Development Officer, Aditya Birla Group, pointed that HR function of the future will need a different skill set. He said, *"the way I see the HR function evolving is to move from being largely operational, to being highly strategic and in fact leading the business. While one kind of HR professionals will continue to manage large operations – thousands of people, 10s of plants, managing unions, etc., another breed of HR leaders will look at large scale transformation, digital, coaching culture, talent culture and learning mind-set."* He further explained, *"just like COO and CEO are two different roles, operational-HR and strategic-HR will need markedly different skill sets."*

Irrespective of the focus – operational or strategic – HR leaders of the future will need to build or polish critical skills, and to make that happen, leaders will need to undergo crucial experiences over the next five years. Interviewees pointed at five critical experiences – senior stakeholder engagement, new initiatives, crucible roles, non-obvious career moves, and cross-cultural experiences. Incumbent and next generation HR leaders need to collaborate with their managers to build the five experiences into their portfolio sooner rather than later.

One, stakeholder engagement

Leaders must experience high-level interactions with senior executives within the enterprise and with people outside of their organization. Interactions with the Board, CEOs, executive leadership team will give the incumbent and next generation HR leaders the much-needed self-confidence, courage and self-belief, while interactions with external partners, vendors, consultants, etc., may benefit leaders get a better outside-in perspective, and develop diverse networks. Such interactions may also help incumbent leaders understand different points of view. Interviewees shared that being a part of 'shadow boards,' filling in for their managers (while their manager is on vacation), working on critical assignments with skip-level managers, as some of the ways they have been able to develop senior stakeholder engagement capability. One of the interviewees talked about the learnings she had when she moved to another country for a



Stakeholder Engagement

"HR leader of the future must be able to create and defend business cases in front of the executive leadership team, negotiate with vendors and suppliers, and have an equal-eye dialogue with business leaders"

Muniinder K. Anand
MD – India and South Asia, CCL



Crucible Roles

"I learnt my ropes in managing the IR function early on in my career; I was literally thrown in the fire, so I had to jump in and deal with 'militant' trade unions, and that was a steep learning curve."

K. A. Narayan
President – HR, Raymond Ltd.



Non-obvious Career Moves

"As I reflect on my journey, a cross functional stint in sales early on in my career was a defining experience. It taught me how sales people think, challenges they have, and how they look at HR. When I moved to HR, I was more of an insider to them."

Leena Sahijwani
Global Head HR - Quality, R&D and Talent Management, Sun Pharma

FIVE MUST HAVE EXPERIENCES



Cross Cultural Experiences

"Somewhere in middle of my career, I took up an HR role in Vietnam, due to a personal need. It was a challenge but developed me professionally since it was a global acquisition, a challenging assignment, and gave me an understanding of a different culture; it opened my mind up to newer possibilities."

Sonali Roychowdhury
Director - Human Resources, Indian Subcontinent and IMEA
Distributor Operations HR, Procter & Gamble



New Initiatives

"Launching a new business for an FMCG company early on in my career was one of the defining experiences for me. This gave me multiple perspectives as a JV partner, strategist, consultant, project in-charge of building something new."

Ajay K. Soni
Chief Learning and Leadership Development Officer, Aditya Birla Group

few years in a different function; she highlighted unparalleled experiences including dealing with the authorities, the company leadership team, external consultants and vendors, R&D teams, and the expatriate community in the host country. Leena Sahijwani highlighted that stakeholder engagement is not only about ‘courage.’ It is also about authenticity, which leads to ‘trust’ with key stakeholders, both internal and external. *“Courage comes from building trust, and trust comes from having the intention to help and not to push your own agenda,”* she said.

Two, new initiatives

Leaders must get experiences around developing or launching a new product or service, setting up a plant or unit, entering a new market, or embarking on a new line of business. Newer initiatives may provide the much-needed experience around innovation, dealing with uncertainties, change management, and commercialization, to next generation HR leaders.

One HR leader with a large multi-national, cited that he had his best career experience while heading up company operations in a small market. He explained that as the company was entering a new market, it wanted a tenured company leader to lead a small offsite office in Vietnam, and he leaned forward and grabbed that responsibility.

Three, crucible roles

Center for Creative Leadership (CCL) research points that tough roles, ‘hardship’ postings, hostile situations, or even ‘bad’ managers can provide invaluable learnings in an executive’s journey. Such experiences help leaders to be disruption-ready, a critical skill HR leaders of the future will need. Such crucible roles could range from leading an organization-wide transformation initiative, M&A initiative, or spending a few years with the industrial relations function, among other experiences.



LEADER SPEAK

“Early in my career, I moved out of HR to become a factory manager, running operations. I think it came out of a fascination for the other parts of the business. That kind of helped me understand the other parts of the organization, and empathise with business.”



Krish Shankar
EVP and Group Head- HR, Infosys

Four, non-obvious career moves

Interviewees highlighted the need to get cross functional experiences to get a better understanding of the enterprise issues, and to empathise with different departments and functions. Leaders said that cross functional experiences early in the career may better prepare an executive for senior leadership roles, since the leader will be able to empathise with the challenges faced by peer departments and functions.

For HR leaders, this could mean a rotation to another sub-function within HR or spending a few years outside of HR in business roles. One of the interviewees shared that she is planning a two-year business rotation for her successor (for the country head of HR role); the interviewee is looking at moving the successor into a chief-of-staff position in one of the businesses. *“Chase lateral growth,”* advised Vishpala Reddy, Chief People Officer - India & South Asia, Uber. She added, *“to be better prepared for the future, it is good to operate as a generalist, a specialist, an HRBP; different roles make you a better rounded HR professional.”*

Five, cross-cultural experiences

Executive search leaders the CCL research team spoke to for the regional study pointed that the HR leader of the future must have a global stint under her belt. Research shows that spending two or more years overseas opens up the mind to newer possibilities. Also, with incremental global integration in most large enterprises, and its impact on ethnic diversity in talent pools, being exposed to different cultures will be a must-have experience for HR leaders of the future.



LEADER SPEAK

“Being mobile across industries, cities, working internationally, in addition to having worked with some of the most inclusive leaders, are experiences that have helped me become a better HR leader.”



Rohit Thakur
Head of HR -India, Accenture

Advice to Next Generation HR Leaders in India

So what can a next generation HR leader do to become future-ready? Where should they invest their energy? What capabilities the future HR leader must build? What experiences will accelerate the development to the future-ready CHRO role in India? Interviewees had some very pointed advice for next generation HR leaders...

Do a business stint

“Do a stint in business, and get to the lowest level in understanding the value chain of the business, right from the customer to where the value is being created. Unless the person gets down to rubbing shoulders with the customers, it will be difficult to get into a leadership role in HR,” advised K. A. Narayan, President – HR, Raymond Ltd. HR leaders of the future need a superior understanding of business, and one way of doing it is to rotate in to a business role for a few years, in the journey to the CHRO role. *“The opportunity to lead a small business in one of the companies, including the commercial functions, was a defining experience. It gave me a great understanding of business, operations, managing P&L, legal and corporate affairs,”* highlighted Dilpreet Singh, Vice President – HR, India and South Asia, IBM, as he talked about his defining experiences. T. N. Hari, HR Head, BigBasket and Strategic Advisor at The Fundamentum Partnership, who started his career as a business leader, highlighted that an early business stint gave him confidence, credibility and gravitas as an HR leader. He commented - *“if I had started and remained in HR all through my career, I am not sure I would have been an effective HR leader; my grounding in line functions and business has given me credibility when I talk to CEOs, CFOs or business heads.”* *“Leverage collective intelligence. Don’t try to be a superstar yourself. Go, understand the business,”* advised Dilpreet Singh.

Embrace crucible roles

Tough postings, ambitious projects, cross functional experiences, even ‘caustic’ bosses, can create critical lessons for next generation leaders. *“My early crucible experiences in the industrial relations functions shaped me as a leader,”* shared Dr. Prince Augustin, EVP - Group Human Capital & Leadership Development, Mahindra & Mahindra. He elaborated – *“early on, I had an opportunity to be a part of a large scale industry wide negotiation - over 63 unions and 23 factories, working towards a common arbitration award. Such experiences gave me an understanding of people and people issues, acting tough with a human touch and care, and being empathetic, sympathetic towards people.”* Interviewees also pointed that younger HR executives often shy-away from tough roles, hardship postings, and such attitude may be detrimental to their level of future readiness.

Go global early

Research shows that spending two years or more in a global role opens executives’ minds to incremental possibilities. As organizations expand beyond geographical boundaries, and as workforce becomes more diverse, HR leaders will be expected to operate across cultures. Global experience also may give the much-needed self-confidence to HR professionals. Sanjay Jorapur, CHRO, Hero MotoCorp Ltd., shared one such experience he had early in his career. He shared, *“I had a defining experience when I was offered a talent and performance management role (in the global headquarters) spanning over 100 countries and seventy thousand employees; it gave me a chance to understand nuances of different cultures, develop a global mind-set, working with virtual teams; and, in a way, it ‘levelled’ the ground for me; since I was working with the most senior leaders, I could clearly differentiate ‘roles’ from ‘titles’ in my mind.”*

Befriend ‘ambiguity’

Thanks to the VUCA world, incremental diversity, changing business models, changing work structures, future HR leaders will have to deal with many more ‘moving pieces’ as compared to the past. *“Future HR leaders’ ability to manage ambiguity needs to be very high cause they will be a part of the business solution process with a lot of moving pieces, thanks to the VUCA world we live in; the leader needs to ‘foresee’ the future, articulate issues to business leaders, and simultaneously take small steps towards getting future ready,”* explained Dr. Prince Augustin.

Demonstrate agility

Vishpala Reddy, Chief People Officer - India & South Asia, Uber, underlined the need for agility and quick action, especially in new-age companies. She pointed - *“urgency and requirement of agility is critical in a new age company; so unlike in a traditional company, where you can cook stuff in the kitchen for much longer before you launch something, in new age companies it is all about agility - we agree in principle quickly, bring the product out, and then keep tweaking it around the edges to make it perfect.”*

Balance digital and emotional connect

Interviewees pointed that while it is desirable for next generation

ADVICE TO NEXT-GEN

- 1 Do a Business Stint
- 2 Embrace Crucible Roles
- 3 Go Global Early
- 4 Befriend 'Ambiguity'
- 5 Demonstrate Agility
- 6 Balance Digital and Emotional Connect
- 7 Be Courageous
- 8 Lean on 'People Sciences'



LEADER SPEAK

"The digital savvy next generation, or 'text generation,' needs to balance digital connect with emotional connect – so that they understand what impact their decisions will have on people and what emotional impact that will create on them."



Dr. Prince Augustin
EVP - Group Human Capital & Leadership Development, Mahindra & Mahindra

"Get involved with business at critical junctures; long term strategic planning, annual budgeting exercise, M&A due diligence, customer meets, etc. This will help you [next generation HR leader] engineer the new business and HR agenda. HR does not follow business. Neither does Business follow HR. HR and business are intertwined. One leads the other in order to take the organisation to the higher level."



Ajay K. Soni
Chief Learning and Leadership Development Officer, Aditya Birla Group

"My direct reports should not assume my 'shoe' will look the same in a few years to step into it. The shoe (CHRO role) will also change rapidly with changing context. They will need to prepare themselves to step into a different 'shoe.' A lot of people theories may not be relevant – for instance, how relevant will group-theory be if there are a lot of machines in the equation, and people are not working in large groups anymore. So the big question is how well can you skill for a rapidly changing environment."



Sanjay Jorapur
CHRO, Hero MotoCorp Ltd.

leaders to be adept at technology, it is equally critical to make sure they do not lose the 'human' connect with talent. Dr. Prince Augustin elaborated - *"bots will take over operational aspects of HR in the future and large scale interactive processes will get digitised, so HR leaders' role will be around transformation of the organizations, and finding ways to capture emotions in a digital environment; they must also leverage technology to fine-tune their quality of judgement."* He added, *"CEOs want that accountability leads to result and employee experience is seamless; employees expect the organization to be empathetic, understanding, and caring - low touch environment in the past is shifting to high tech and high touch environment; so, it is about growing employees' emotional bank accounts."* Sudheesh Venkatesh, Chief People Officer, Azim Premji Foundation, summed up, *"working with people will require a combination of rational and emotional capability."*

Be courageous

HR leaders in the future will be called upon to wear many 'business hats.' They therefore need to be protective of their time and effort, and hence the need to have 'equal eye' dialogues with business, negotiate with key stakeholders, pushback on 'unreasonable' business demands, etc. Next generation HR leaders will need to be courageous. Seema Nair, SVP and CHRO, Hindustan Coca Cola Beverages, shared her own experience – *"I have developed the courage, and the ability to speak up when no one is willing to; there are times when I am the only one in the room to ask questions and with very senior leaders; sometimes you feel you will be fired for doing this, but later on I often realise that that was a defining moment."* Discussing the need to develop courageous leaders, Leena Sahijwani, Global Head HR - Quality, R&D and Talent Management, Sun Pharma, said, *"I want to build a brand of people who understand nuances of what a customer wants, who are able to push back and rethink processes they have created earlier, with the understanding of how they are solving customer problems."*

Lean on 'people sciences'

Finally, as next generation HR leaders focus on the need to 'be' and 'act' more business-like, it is critical they also do not lose touch with the people-sciences aspect of HR. *"To be future ready, we need to bring the application of people sciences back into our profession, HR leaders need to be technologists who understand how new ways of working can be introduced to make the experience distinctive for their organization – and become internal consultants who understand the implications on talent, given the trends they foresee emerging,"* advised Prithvi Shergill, Advisory Partner, Tomorrow.

Conclusion

CHRO 3.0 research points that 'HR role is omnipresent without an expiry date.' Owing to drastic disruptions in business, new technologies at play, rapidly changing talent context, and ever-increasing expectations from the HR function, the HR leader of the future in India will need to undertake five critical shifts in 'how she thinks,' 'skills she must build,' and 'experiences she must have under her belt' to be successful in the future.



Current HR Leader

- 'Process' expert
- Tech-shy
- Operating in silos
- Inward focused
- Low value addition
- Low credibility level (with business)

Future HR Leader

- Tech-savvy
- Employee-experience centered
- Operating at the intersection of different disciplines
- Insights-orientation
- Outward focused
- High value addition
- High credibility level (with business)

BUILDING BLOCKS

Experience Shifts

- Stakeholder Engagement
- New Initiatives
- Crucible Experiences
- Non-obvious Career Moves
- Cross-cultural Experiences

Mental Shifts

- I. Technology-shy to Technology-savvy
- II. Process Champion to Guardian of Employee Experience
- III. Doing-all to Doing-only-what-matters-most
- IV. Helper to Doctor
- V. Inside-out to Outside-in

Skillset Shifts

- Learning Agility
- Influencing Skills
- Resilience
- Collaboration Skills
- Strategic Intent

Research Methodology

'CHRO 3.0: Preparing to Lead the Future HR Function in India' study findings are based on interviews with heads of HR in India and across Asia (referred to as incumbents, CHROs, heads of HR); and a collection of datasets collected at the regional level to supplement the interviews.

We use the term Indian HR leader / Indian CHRO to refer to leaders who have responsibility for human resources function in India. These executives may hold 'Director,' 'Vice President,' 'President,' 'Executive Officer,' 'HR Head,' etc. titles.

The Center for Creative Leadership (CCL) research team interviewed 22 heads of Human Resources (HR) and HR thought leaders working for western and Indian multinational corporations (MNCs) and local enterprises in India. This study is the country deep dive, and builds upon the 'CHRO 3.0: Preparing to Lead the Future HR Function in Asia' research report published in February 2017 jointly by CCL and Singapore Human Resources Institute (SHRI). The earlier study was based on interviews and data collected (interviews and/or survey responses) from 96 HR leaders and thought leaders in regional CHRO roles across Asia.

The interviewees (and survey respondent) belonged to a mix of industries such as financial services, fast-moving consumer goods (FMCG), technology, retail, infrastructure, and professional services companies. In addition to senior HR leaders, the research team also interviewed a subset of senior executive search leaders to understand key competencies that organizations are demanding as they develop and/or recruit their next generation of HR leaders.

Our goal was to understand the key challenges that the HR function in India will face in the next decade, the impact of changing business environments in India on HR, shifts in key responsibilities and design of the HR function, and actions that senior leaders were taking to prepare themselves and their teams for the anticipated changes. The interviewees were also requested to reflect on their career journeys to identify critical experiences that mattered more than the others.

These conversations shaped the direction and key findings of the *CHRO 3.0* report.

Acknowledgements

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Muniinder K. Anand
MD – India and South Asia,
Center for Creative Leadership



Dr. Prince Augustin
EVP - Group Human Capital & Leadership
Development, Mahindra & Mahindra



Sheebu David
Head of HR, GE India Technology Centre



T. N. Hari
HR Head, BigBasket and Strategic Advisor at
The Fundamentum Partnership



Sanjay Jorapur
CHRO, Hero MotoCorp Ltd.



Nishith K. Mohanty
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Chaitali Mukherjee
Partner - Consulting, People and Organization,
PwC India



Seema Nair
SVP and CHRO, Hindustan Coca Cola Beverages



K. A. Narayan
President – HR, Raymond Ltd.



Raj Raghavan
Director and Asia Pacific HR Leader, Amazon



Vishpala Reddy
Chief People Officer - India & South Asia, Uber



Sonali Roychowdhury
Director - Human Resources, Indian
Subcontinent and IMEA Distributor Operations
HR, Procter & Gamble



Leena Sahijwani
Global Head HR - Quality, R&D and Talent
Management, Sun Pharma



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(the leader did not want to disclose his/her identity)

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The National HRD Network is the national apex body of professionals committed to promoting the HRD movement in the country and enhancing the capability and development of human resources through education, training, research and experience-sharing. It was established in 1986. Bangalore chapter was established over 28 years ago (the year 1989) as an autonomous, not-for-profit professionally managed organization, playing a catalyst role in grooming leaders for 'tomorrow.' HR Showcase, (a unique trade show style event for organizations to present their most impactful HR practices & Initiatives) is the signature event of the NHRD Bangalore Chapter and is shaped to bolster the enduring spirit of innovation in HR.



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