CEO & Leadership Team’s Role in Human Capital Management (Draft)

The major change in terms of the CEO and Leadership Team’s Role in Human Capital Management is a movement from a view that human resources/human capital management is a tactical function that happens in an isolated department to a realization that human capital management is central to accomplishing an organization’s strategy and is necessarily a key priority for the leadership team.

Guidelines for the CEO & Leadership Team’s Role in Human Capital Management

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<th>Responsibilities</th>
<th>Relevant Actions to Accomplish Responsibilities</th>
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<td><strong>Leadership and Governance of Human Capital Management:</strong> View people as an essential enabler of organization performance. Talent should be infused in and drawn from organizational goals and should be a central part of the CEO and Leadership Team’s strategic planning process.</td>
<td>• Own human capital management strategy. Ensure that HCM strategy includes goals and metrics and that it is tied directly to support of the organization’s strategic goals. Prioritize and vocalize sustained commitment to improve human capital management and enabling processes (i.e. in job descriptions, goals and schedule of individuals. Ensure that leadership team existing reviews of annual budget/actual, annual operating plan/actual and strategic plan/actual are expanded to include human capital management. As a team, ensure that HCM is represented in work-plans, agendas, budget) \n• Ensure that human capital management approaches are consistently developed, implemented, and evaluated by the standard of how well they support achievement of organization’s strategy and impact results \n• Hold senior leaders accountable for human capital management initiatives \n• Be visible exemplars for key processes (“walk the talk”)</td>
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1. Human Capital Management and Strategy Alignment: Ensure that the | • Review organization strategy annually and ensure that it is aligned with mission and core values; include human capital management in strategy discussions and the strategic plan |
organization has a clear mission, vision, core values, goals and objectives and strategy that is integrated with human capital management

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<th>2. Succession Management and Leadership Development: Ensure reasonable continuity of leadership; support the development of leaders aligned with identified leadership competencies to achieve the mission.</th>
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| • Conduct periodic reassessments as part of a continuous effort to evaluate and improve human capital management systems  
• Establish measures/metrics that provide meaningful data on human capital management practices; show how these practices promote mission accomplishment  
• Fund and participate in human capital management initiatives, even in slow to no-growth periods of the organization’s development  
• Report to the Board on the state of human capital management (include measures/metrics)  
• Monitor progress and completion of organizational goals and mitigates barriers to achieving goals  
• Ensure that the right leadership team is in place to meet the strategic objectives  
• Create and periodically update a formal succession plan that includes a review of current and emerging leadership needs based on strategic and program planning  
• Identify and develop successors; monitor succession plans to ensure that they are future-facing  
• Conduct and participate in talent review sessions monitoring leadership pipeline for critical jobs/roles/skills; identify sources of executive talent in and outside of the organization.  
• Spend focused time working with top talent in the organization; depending on size of the organization, leaders may focus specifically on director levels and above.  
• Share talent across the organization; support rotational assignments and stretch assignments  
• Guide and invest in a leadership development program with planned developmental opportunities, learning experiences, and feedback. Actively support leaders in development through personal mentoring, coaching and shadowing.  
• Ensure selection, promotion, and performance evaluations of managers and executives are based on the identified competencies (organizational and leadership) needed to support the mission.  
• Monitor (or create) career plans and internal development programs that help guide/move people into areas with the most critical need  
• Ensure employees have career roadmaps to improve retention and employee engagement  

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<th>3. Talent Acquisition: Responsible for recruiting and hiring strategy that is targeted to fill short- and long-</th>
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| • Periodically review the formal recruiting and hiring plan. Identify gaps between recruiting efforts and the competencies needed.  
• Identify attributes for high performers; incorporate in job profiles for senior-level positions |

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| Term Human Capital Needs and, Specifically, to Fill Gaps Identified Through Workforce Planning Efforts | • Ensure recruiting processes involve senior leaders and line managers making use of multiple recruitment strategies  
• Interview and evaluate senior-level candidates for key positions; personally manage on-boarding for specific roles. |
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| 4. Talent Development: Make Appropriate Investments in Education, Training, and Other Developmental Opportunities to Help Employees Build the Competencies Needed to Achieve the Organization’s Vision | • Oversee the creation and periodic updating of a formal training and professional development strategy/operating plan  
• Ensure Individual development plans exist for employees at all levels, employing agreed upon framework and direction.  
• Fund, support, and participate in learning and development programs; fund the required infrastructure to sustain learning and development.  
• Communicate the importance of learning and development’s role in the organization strategy  
• Ensure opportunities for career management/advancement and an equitable promotion system take into account the programmatic and supervisory/managerial needs.  
• Monitor the explicit link between training curricula and the required competencies needed for mission accomplishment.  
• Recommend staff to other leaders (i.e. promotions, job rotations, talent migration)  
• Make fact-based determinations of the impact of training and development programs; monitor the ROI ensuring alignment with organizational priorities and company values  
• Ensure training and development opportunities are relevant and professionally rewarding; Hold employees accountable for training and professional development activities; |
| 5. Talent Rewards and Retention: Create a Talent Compensation Philosophy/Practices that Attract, Motivate, Retain, and Reward the People the Organization Needs to Pursue its Shared Vision | • Recognize and appropriately reward performance; allocate rewards to top performers accordingly  
• Allocate a bonus pool (if appropriate) based on organizational performance  
• Provide incentive pay for certain positions based on short- or long-term business goals  
• Know and use non-monetary rewards (appreciation, special events, exposure) systems effectively.  
• Ensure rewards programs “reward” people and are communicated, administered /perceived as fair  
• Report to Board on reward programs; understand value of employer brand in the market place and gain intelligence on the attractiveness of compensation packages in the recruiting process.  
• Re-examine the benefits package periodically and benchmark against similar organizations to |
| 6. Competency Management: Ensure core values, leadership competencies, organizational competencies, and functional competencies are all aligned and support organizational strategy and that other organizational human capital management processes, such as hiring, draw from these competencies | • Define core values, leadership competencies, and as appropriate, functional competencies that are aligned with organizational values  
• Ensure competencies used to recruit and select new staff and promote existing staff are aligned with organizational core values and leadership competencies, and if appropriate, functional competencies  
• Embed competencies within the organization; use them to select, reward, promote and recognize individuals and teams. |
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| 7. Performance Management: Ensure that employees’ performance expectations are aligned with the organization’s mission, and in which personal accountability for performance is reinforced by both rewards and consequences | • Seek feedback on own performance  
• Identify accountability for human capital management in managers’ and senior leaders’ role descriptions and annual goals. Hold managers and senior leaders accountable in performance reviews.  
• Ensure performance management systems have an explicit emphasis on performance improvement and on linking individual and team performance to the organization’s shared vision, and specific performance-based rewards and consequences.  
• Ensure that performance incentives are clearly and meaningfully linked to the performance management system and that incentives are results-oriented, client-based, realistic, and subject to balanced measures that reveal the multiple dimensions of performance  
• Support development goals specifically aimed at continuous learning and improvement in current roles as well as future roles. |
| 8. Workforce Planning and Organizational Design: Responsible for an explicit workforce planning | • Review business strategies with a clear picture of organizational competencies and talent gaps  
• Ensure the workforce is deployed appropriately—both geographically and organizationally—to |
| strategy, linked to the strategic and program planning efforts, identifying its current and future talent needs, including size of the workforce; its deployment across the organization; and the knowledge, skills, and abilities needed to pursue its shared vision. As growth occurs, responsible that the organizational structure and design is carefully planned to ensure staff teams are organized and coordinated in a way that supports the organization’s shared vision. | support organizational goals and strategies  
- Make flexible use of workforce, putting the right employees in the right roles according to their skills  
- Identify the roles and core competencies needed to support organizational goals and strategies.  
- Identify current/future talent needs and gaps, based on planning process and by conducting periodic knowledge and skills inventory  
- Support other leaders to prioritize talent initiatives and investments against the business priorities  
- Manage business risks associated with talent  
- Assess industry benchmarks in such areas as skills, education levels, and geographic and demographic trends.  
- Consider the strengths and weaknesses of various organizational structures and adopt structures that help the organization achieve its strategic goals |
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| **9. Culture:** Foster a work environment in which people are empowered and motivated to contribute to the mission and one that provides both accountability and fairness for all employees. | • Establish, communicate, and reinforce behaviors that are aligned with core values and support organizational strategy  
• Support a culture of continuous learning in which risks can be taken  
• Gather and make appropriate changes based on employee feedback on the acceptance and encouragement of diverse styles and personal backgrounds (cultural competency) in the workplace, as well as on perceptions of unequal treatment. |
| **10. Internal Communications and Decision-Making:** Ensure that methods of communication from the organization’s leaders to staff, from staff to leaders, and across staff in different departments is clear and that decisions are made in a way that ensures full engagement across the organization | • Create an internal communications plan that is consistent and aligned with the organization’s overall strategy  
• Create and oversee a decision-making structure that values action, speed and adaptability, avoids ambiguity, defines clear decision-maker roles, and that sets up a way to reinforce decisions  
• Encourage employees to contribute their views on the shared vision and strategies for achieving it, including innovative ideas and process improvements  
• Gather and make appropriate changes based on feedback from employees on their commitment to the shared vision and their views of management’s efforts at communication and coordination  
• Support an active knowledge management effort featuring programs and tools for sharing information and creating institutional knowledge that can be readily retrieved by or disseminated |
Sources: