

Room to Improve the CEO/HR Relationship? Interview of Former SHRM CEO Sue Meisinger

July 8, 2013

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Over the years, I've heard chief executive officers (CEOs) of companies complain about human resources (HR) and vice versa. I asked the CEO of an HR organization what produces this mutual non-admiration society and what can fix it. As former president and CEO of the Society for Human Resource Management (SHRM), the largest human resources professional organization in the world, Sue Meisinger is in an extraordinarily good position to address these questions.

JATHAN JANOVE: What is the most common complaint CEOs have about HR?

SUE MEISINGER: CEOs often think, "HR doesn't understand our business, our strategy, our objectives, or our financial picture. HR doesn't fully appreciate what drives revenue, what affects the overall value of the enterprise, or what's in a financial statement versus what's in my budget."

JJ: What about HR's complaints of "not getting a seat at the table"?

SM: HR professionals who ask that question miss the point. HR is not *entitled* to a seat at the table. The people at that table *earned* their seat with the value they brought to the "conversation" and to the business.

JJ: What advice would you give to an HR professional aspiring to earn that seat?

SM: If you're new in your role, develop both HR and business literacy. If you have a business or operations background, beef up your knowledge and expertise on the HR side. If your background is in HR only, strive to

increase your knowledge of how businesses operate, including your own, and learn to comprehend your company's financial statements and what impacts them.

JJ: What advice do you have for a long-time, incumbent HR professional who's frustrated with a lack of respect or inclusion?

SM: First of all, don't see it as a problem specific to the HR profession. Look at it as a problem particular to your circumstances. Start with a self assessment. Perhaps you lack knowledge or understanding of the business or perhaps your manner of interacting with co-workers and executives needs improvement. Also, perhaps your CEO and other executives don't know HR's true value and need to be educated. Get feedback. Ask executives how you can be more effective. Find out what's not resonating and what can be improved. Using an outside coach can be very helpful.

JJ: What if despite these efforts, that HR professional still can't get respect or inclusion?

SM: That HR professional should consider finding another job in an organization that appreciates the importance of HR. Look for leaders with the capacity to understand the potential value HR brings to an organization.

JJ: What is that value?

SM: For many companies, employee compensation represents their biggest expense. CEOs shouldn't look at it as simply a cost but as an investment in talent. If the CEO views it that way, the opportunity for HR to add value increases dramatically. Empowered HR can provide great value in three ways:

HR can create and implement a human resources business strategy.

HR can align the compensation system with that strategy, i.e., incentivizing behavior needed for organizational success.

HR can provide the human talent currently needed and, through succession planning, the talent needed in the future.

JJ: What else can a CEO do to maximize the value of HR?

SM: CEOs should appreciate the fact that HR is on the front lines. Unlike other departments, everything HR does is personal to every employee. Salary, wages, title, performance feedback, and benefit packages impact each employee personally. This means HR can't make everyone happy all of the time. Unavoidably, it will encounter criticism and occasionally be the target of anger or recrimination. CEOs should appreciate HR for taking on this tough but necessary role.

In your organization, what's the relationship between HR and the CEO? Is there room for improvement? If so, Meisinger offers good food for thought.

Sue Meisinger, former president and CEO of SHRM, writes a column for *Human Resource Executive*. She can be reached at Sue@SueMeisinger.com as well as on Twitter @SueMeisinger.

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