

CEO 20 Pulse

Helping CEOs and CHROs Stay Ahead of Talent Trends

2017 Benchmark Report

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Table of Contents

Executive Summary	4
Deep Dive on Trends	
1. Talent Management Priorities	6
2. Digital Disruption	9
3. Culture Change	14
4. Working with the Board	18
5. Talent Strategies for Brand Value	22
Appendices	
A. Pulse Demographics	26
B. Initiatives Heads of HR Are Leading	27
C. Actions to Embed Cultural Values	28
D. Actions to Diversify Succession Talent Pools	29
E. Actions to Better Communicate to the Board	30

Executive Summary



Key Insights

CEOs want CHROs to lead initiatives addressing demographic trends.

All surveyed CEOs said CHROs should play a leading role in addressing a rapidly shifting workforce profile.

CEOs and CHROs are aligned on priorities as CEOs demand better solutions.

All surveyed CEOs want CHROs to improve their approach to culture change and performance management.

CHROs expect significant digital disruption to the employee experience.

Over 80% of CHROs expect significant changes to the employee experience this year in response to digitization.

CEOs and CHROs disagree on the top challenge to meeting digital talent needs.

CEOs say assessing digital talent needs is the biggest digital challenge; CHROs say it is a culture that attracts this talent.



Key Conversations to Have

What are the CEO's biggest concerns about a rapidly shifting workforce profile? How do we manage the related knowledge transfer and cultural risks?

What does success look like for HR in 2017? How is the function being held accountable to that vision?

What are the top three changes we expect to make (or need to make) to the employee experience in response to digital disruption?

What are our current digital talent needs and what actions will best fulfill them?

Executive Summary (Continued)



Key Insights

CEOs and CHROs diverge on which cultural attributes to focus on the most.

One-third of CEOs chose collaboration as the cultural attribute that needs the most improvement, compared to just 18% of CHROs.

Strong desire emerges to make succession conversations more efficient.

Succession is a top issue CHROs want the board to focus on, but 50% of CEOs want CHROs to spend less time on succession.

Companies are using talent strategies to increase brand value.

Over 60% of CEOs and CHROs say they are increasingly using talent issues in their public relations strategy.



Key Conversations to Have

Given our strategy, what cultural attributes do we need to succeed? How will we enable employees to make trade-offs between current and desired behaviors?

What talent issues require the most input and strategic decisions from the board?

How can we use our competitive advantage in managing talent to enhance our brand?

Talent Management Priorities

Digital Disruption

Culture Change

Working with the Board

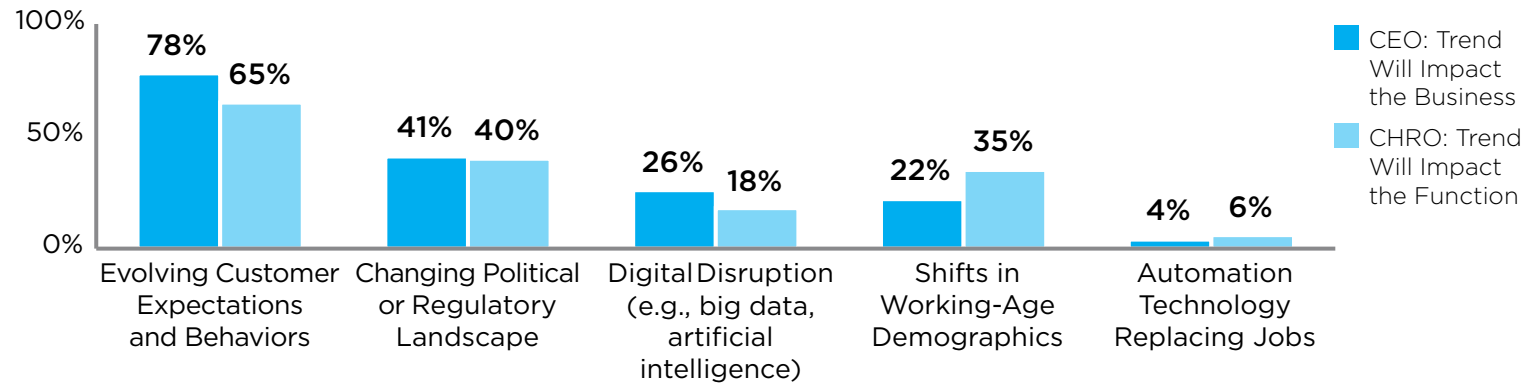
Talent Strategies for Brand Value

**CEOs Expect CHROs
to Play a Large Role
in Addressing Macro
Trends**

**CEOs Want New
Strategies for Culture
and Performance
Management**

Customer Demands and Political Uncertainty Biggest Drivers of Immediate Organizational Change

Top Five Trends That Will Significantly Impact the Business and HR in the Next Six Months

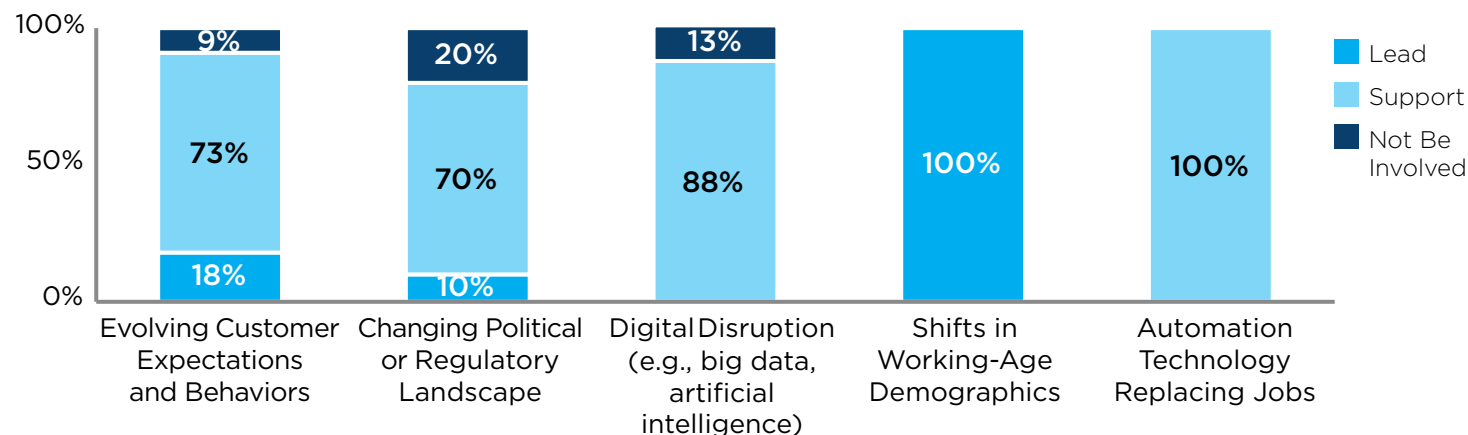


n = 27 CEOs and 100 heads of HR.

Source: CEB 2017 CEO 20 Pulse.

Note: Respondents were asked to select up to 2 out of 9 trends.

Top Five Trends That CEOs Want CHROs to Support or Lead Initiatives in Response To



n = 27 CEOs.

Source: CEB 2017 CEO 20 Pulse.

Note: Totals may not equal 100% due to rounding.

Changing customer expectations is the biggest trend affecting the business and HR in the next six months; the majority of CEOs expect heads of HR to support initiatives tackling this trend, but some also expect HR to play a leading role.

More than a fifth of CEOs expect shifting demographics to impact the business in the next 6 months, and all CEOs surveyed agree that CHROs should play the leading role in guiding their organization through this trend.

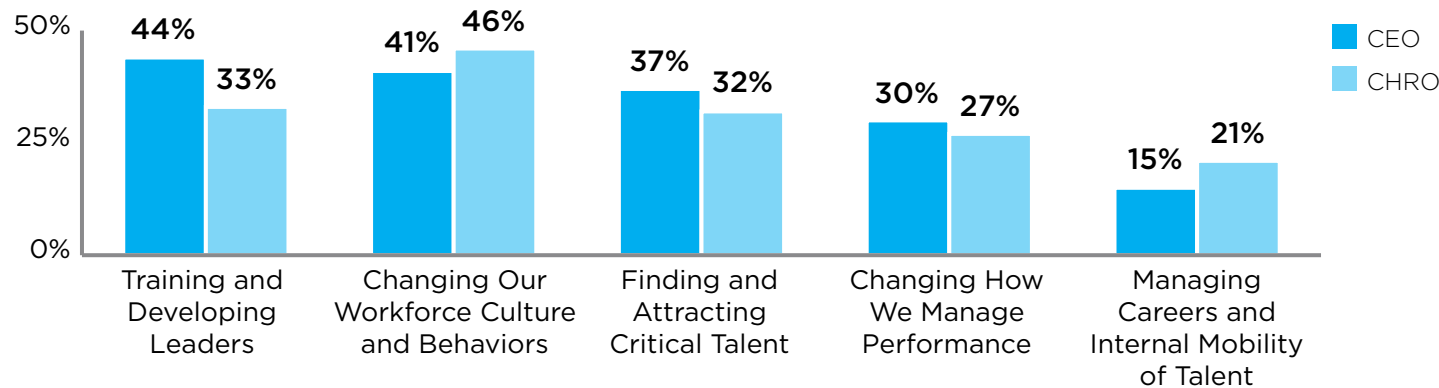
To stay ahead of similar talent trends, visit talentdaily.com, the top source of aggregated talent news from across the web with accompanying insights from CEB.

Questions to Discuss:

- What are the expectations of HR in leading / supporting the organization's response to these trends?
- How should HR coordinate better with the rest of the business to maximize HR's contribution to these initiatives?

Alignment on Most Priorities, but CEOs Want New Strategies for Culture and Performance Management

Top Five Talent Management Objectives HR Should Focus on in the Next Six Months

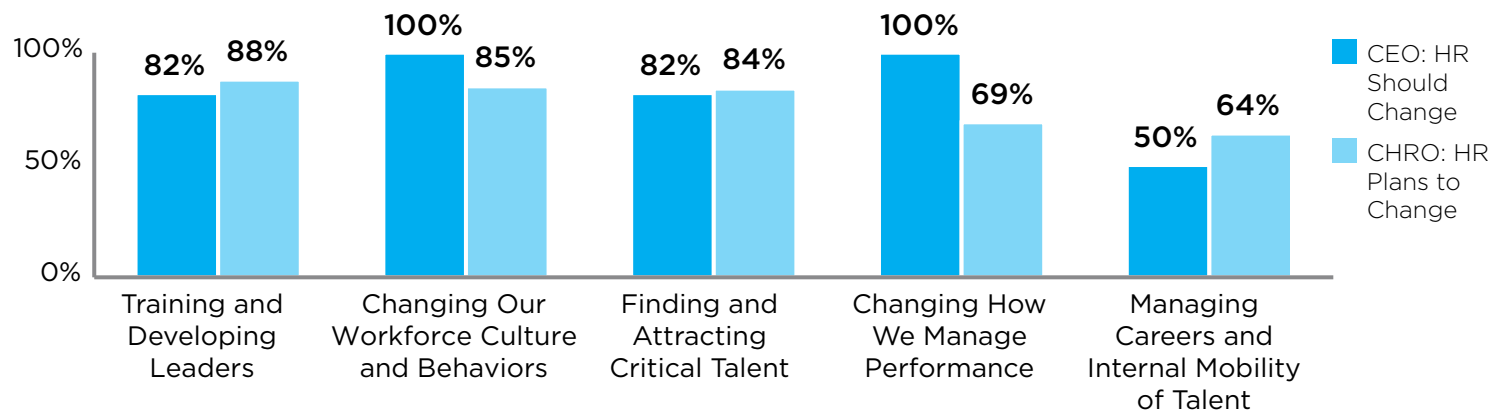


n = 27 CEOs and 100 heads of HR.

Source: CEB 2017 CEO 20 Pulse.

Note: Respondents were asked to select up to 2 out of 11 objectives.

Top Five Talent Management Objectives Where HR Needs to Change its Approach



n = 27 CEOs and 100 heads of HR.

Source: CEB 2017 CEO 20 Pulse.

Note: CEOs were asked to rate their agreement on a 5-point scale.

Although CEOs and CHROs are mostly aligned on talent priorities, more CEOs focus on the need for culture change and better performance management.

In contrast CHROs are more concerned about careers and talent mobility.

For an in-depth view of how other companies—such as Accenture and GE—have reshaped performance management, visit our topic center on **The Performance Ratings Debate**, where you can access guidance on key questions, webinars, and our latest research.

Questions to Discuss:

- What key metrics is HR accountable for to perform successfully in each of these talent areas?
- What is our biggest challenge to creating a strategy-aligned culture?

Talent Management Priorities

Digital Disruption

Culture Change

Working with the Board

Talent Strategies for Brand Value

**Digital Disruption
Will Be Significant in
the Next 12 Months**

**CEOs Want More
Support from CHROs
to Address Digital
Disruption**

**But CHROs and
CEOs Disagree on
Top Digital Talent
Challenges**

**CHROs More Likely
to See Digital Needs
Alter C-Suite
Succession Plans**

Talent Management Priorities

Digital Disruption

Culture Change

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Talent Strategies for Brand Value

**CEOs and CHROs Are
Prioritizing Different
Cultural Attributes to
Work On**

**CEOs and CHROs
Differ on the CEO's
Role in Culture**

**CHROs Are Using
Performance
Management to
Embed Cultural
Values**

Talent Management Priorities

Digital Disruption

Culture Change

Working with the Board

Talent Strategies for Brand Value

**CEOs Suggest Way
for CHROs to
Communicate More
Strategically to the
Board**

**CEOs and CHROs
Disagree on Top
Talent Issues for the
Board's Agenda**

**CHROs Want to
Focus on Succession,
but CEOs Want Less
Time Spent on the
Issue**

**Talent
Management
Priorities**

**Digital
Disruption**

**Culture
Change**

**Working
with the
Board**

**Talent
Strategies
for Brand
Value**

**CEOs and CHROs
Increasingly Use
Talent Strategies in
PR Strategies**

**Risk of Public
Scrutiny Driving
Conversations
Around Talent, But
Not Actual Change**