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Knowing it all: All-Around Players: Part 2 of 2;
For the next generation of HR chiefs to become the strategic players their companies need, they should be ready for years of mentoring, high-level training, stretch assignments and stints overseas.

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STRATEGIC LEARNING

Experts, consultants and corporate HR executives also say that training programs in strategy, leadership and financial knowledge and its applications are an important part of developing future HR leaders. Some companies provide their own internal leadership training programs, while others outsource the training to universities or consulting firms.

Either way, most experts say that HR professionals should get training designed specifically for them and not just the same courses that future executives in other parts of the business receive. "You don't want them just taking canned strategy courses," Cappelli says. "It has to be meaningful to what they'll be doing."

Coca-Cola has developed a specialized finance course that will be taken by HR directors of business units and eventually by their staff as well. "The training is linked to how they're going to drive sustainable growth," director of human resources McCague explains. "They focus intently on the metrics that help us to win. And a key part of the program is learning to communicate. We want them not just to understand financial formulas and calculations and their relevance to HR, but to be able to help other people to understand it too."

American Express has created Project Endeavor, a program that focuses on the application of finance and strategy to HR, using the company itself as the subject material. "There are a fair number of finance-professional courses out there, but we think this is better because it's both HR- and American Express-specific," says Patricia McCulloch, the company's vice president for HR capacity and development. "They toggle back and forth between the view of HR and how a business situation affects the company."

Aon's Adler describes a particularly effective HR leadership program developed by one major technology firm. "The key element is giving HR leaders role-playing situations that force them to stretch, to get out of their comfort zone," he says. "For example, imagine that I'm the chief executive of a country unit, and you're my HR leader. We just found out that our largest client has a new CEO who comes from a firm where they used our main competitor's services. He's considering dumping us and he's specifically asked that you come along to a meeting to explain to him how we're going to maintain innovation by attracting the best scientists and engineers."

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"Now, most HR managers would gulp hard and feel their hearts palpitating if they were put in that kind of situation," Adler continues. "But that's precisely the sort of thing that HR leaders are going to have to do a lot more frequently in the future, and the training helps prepare you for it."

It's vital to tailor the training to the knowledge and skill set of each future HR executive, says Erickson of the Concors Institute. "We do an assessment upfront to understand whether you are strong in finance but weak in marketing, and then develop a customized curriculum based on that," she says. Another key element, she says, is follow-up with a personal coach who helps the leadership candidate apply the lessons learned to the actual experiences he or she is having at the company.

COACHING, STRETCHING

Orlando Ashford took a job offer from Coca-Cola in large part because of the company's "70-20-10" approach to developing HR leaders, in which working experience within HR—including "stretch" assignments, where a candidate is challenged to learn new skills on the job—is expected to account for 70 percent of a candidate's development. Coaching will contribute 20 percent, and the remaining 10 percent comes from specialized training.

"I had talked to a lot of companies where all their development talk was about training," he explains. "They would tell me, 'You can go to these great classes.' That made me a little nervous. Experience and real-time coaching, which is what Coca-Cola does, is the big thing for me in terms of learning."

Cappelli thinks that combining challenging work assignments with coaching is a powerful synergy. "When you just have experience without debriefing, it's sort of like someone who goes out to the golf course each weekend but never gets any help from the pro," he says. "He'll just keep whacking away without improving his game. You need to give people experience in a structured way—sort of, 'Here's what you should take away from this.' That's how they grow."

Coke HR director McCague became Ashford's coach, meeting with him regularly over breakfast or drinks to discuss what he needed to learn and how to get that knowledge. While McCague ultimately hoped to leverage Ashford's background in organizational development and culture change, she also urged him to get a better grounding in what he affectionately calls "down and dirty" basic HR work. As a consequence, when one of Ashford's HR generalist subordinates at the corporate HR center went to Asia for a three-month stretch assignment, Ashford took on the person's workload in addition to his own job.

But McCague isn't the only one who coached Ashford. At one of their meetings, the two drew up a list of others in the company whose knowledge could be helpful, from chairman and chief executive E. Neville Isdell on down. McCague also made introductions. When Coke's top African executive was in Atlanta, McCague scheduled a meeting between him and Ashford. As a result, Ashford has a growing list of contacts across the corporation to whom he can turn for advice.

Consultant Walker is a big fan of mentoring influences from outside HR, and he urges companies to take it even further. "We ought to be assigning our best young HR leaders to the executives [outside HR] who are the best developers of talent. Get them out into the business units and have the executives include them in meetings. Or else you can assign them to work with smart people outside HR. Put them on project teams and task forces dealing with strategic issues, which usually involve all the things you need to learn to be a brighter executive someday."

Coke, in fact, is in the process of setting up a cross-disciplinary task force for high-potential leadership candidates, including one of Ashford's subordinates at the corporate HR center. "They'll be working over a four- to five-month period on big thorny problems that the company faces," McCague says. Coca-Cola president and COO Muhtar Kent is considering a proposed agenda for the group.

Increasingly, international experience is another requisite for future HR leaders. "Coca-Cola is a global

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company-we're present in virtually every country in the world," McCague says. "It's important for someone such as Orlando to develop cultural insights, to understand the differences of doing business in Russia and Saudi Arabia and Pakistan. Diversity will help him to build his skills so that he'll be successful in any geography."

For that reason, McCague approached Ashford after the Christmas holidays with an idea. "What do you think about Istanbul?" she asked. Ashford, as it turns out, had just bought a home in the Atlanta area. Even so, he readily agreed and is now in the process of becoming the HR director for the company's Eurasia group, with responsibility for 47 countries--a lot of 'stans," as he jokingly puts it. He'll be reporting to an executive with a background in finance, to whom he's already talked about ways that HR can be leveraged to drive business performance. "It'll open me up, help me to change my paradigm," Ashford says.

It's his next step to the top.

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Being strategic is a basic tool of human resources: workforce.com/tool

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Art Credit: Cynthia McCague, senior VP and director of HR for Coca-Cola, and Orlando Ashford, on right, group director of corporate HR and culture transformation * Cynthia McCague and Orlando Ashford * Ed Lawler, Center for Effective Organizations * Cynthia McCague, Coca-Cola

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