Chief People Officer Roundtable Series

Q1 2024 Summary

Overview

In March 2024, the FlemingMartin practice leaders organized roundtable discussions with more than 100 Chief People Officers (CPOs) from leading Life Science and Technology companies. Topics included: remote workers potentially falling behind their in-office peers during promotion season, reduced resources for DE&I, AI tools enhancing HR (other than ChatGPT), best recent HR investments, urgent goals for HR leaders, budgets for growing one's HR team, and measuring the effectiveness of L&D programs. We have summarized key learnings from these discussions below and we have also provided select snippets from attendees.

Remote Workforce Missing Out on Promotions

Overall, this topic did not resonate with our Chief People Officer participants. The vast majority pushed back on the WSJ article's premise: remote workers are missing out on promotions versus their in-office peers.

DEI Being Deprioritized

While some companies have cut DEI staffing in line with overall reductions in force, most of our attendees' companies remain committed to their DEI efforts. Several CPOs mentioned a greater emphasis on Inclusion and Belonging initiatives for 2024. Smaller companies typically do not have the budget to hire a dedicated DEI resource, so they have leveraged consultants. A number of companies house DEI in their people experience team.

AI in HR… What Tools Are Being Used Other Than ChatGPT?

With rare exception, companies smaller than 10,000 employees are relying on their vendors to develop AI tools and training. While several different resources were discussed, it is clear that ChatGPT is the most popular resource today and we are still in the very early days of AI adoption in HR. Additionally, few companies in attendance have a dedicated AI leader or company-wide AI strategy in place.

The Single Best HR Investment of the Past Year

The CPOs provided a variety of responses to this question about the most impactful investment of the last year-- ranging from a specific hire, to a newly added benefit, to a successfully launched L&D program, to a consultant providing desperately needed expertise.

Most Urgent Priority for 2024

Retention topped the list of most urgent HR priorities for 2024, followed closely by improving engagement.

Growing HR Teams in 2024

The majority of CPOs continue to be constrained by headcount limitations. Many have found creative and resourceful ways to leverage technology, external consultants, and offshoring.

L&D Effectiveness

Our attendees measure the effectiveness of their L&D programs in a myriad of ways. Several companies survey their employees immediately after training to gauge both the value of the program and to determine if the training was well received. A few companies compare engagement scores of leaders who received development training to ascertain if there is a correlation between those who received training and those who have high engagement.

Select Soundbites

1. **A recent WSJ article highlighted that [remote workers are losing out on promotions](). To what extent are you demonstrating that your remote workforce is similarly valued to your on-site workforce?**

That WSJ article was very timely for me. We did an analysis internally and saw that remote workers had less strong performance ratings here. As a result, we looked at our remote population again and made some adjustments. We realized that we had a significant population of remote workers reporting to people that are also remote. Could they be suffering as a result of a 'domino effect' of being remote?

Wall Street Journal headlines about remote work sometimes don't match the actual basis of the article. [Nick Bloom]() has some good insights. We've got to move the conversation from in-office and remote to how do we focus on outcomes? The right people rise up no matter where they are. A top performer is a top performer whether they're sitting in their spare bedroom or in the office.

We don't have a lot of remote workers here. But the ones who are remote tend to be in roles that are hard to fill. So, they are not necessarily competing with workers in house who are doing the same roles.

We are digging into soft skills (to bolster remote team management). I highly recommend reading Peter Kim's [How Trust Works]() to drive greater organizational trust.

Remote employees are not second-class citizens. We chose to employ those people on a remote basis, so that's back on us. We can't consider upward mobility and pay raises as if everyone's not a full value employee.

We keep the bar high and it's all about objectives and goal setting. We all want to be high achievers, so this is not much of an issue. If you keep holding a high bar and holding people accountable, it generally works and translates to equality among remote and in-office employees.

We ran a personal branding campaign to help employees build their own brand with LinkedIn, etc. (across) a heavily remote workforce. Those who were remote didn't feel like they were missing out on (promotional opportunities).

This question prompted me to look at year-end promotions. We're about 25% remote and that's growing. We're really flexible and don't define anything, although we do encourage people to be in the office regularly. We're not seeing any issues based on 2022 and 2023 promotions.

We've been pretty proactive about this. We have a hybrid approach and expect people to be in the office regularly, but some people were not coming in. We've had direct conversations with those people, as well as those who "promised" to relocate when they were hired but have not done so. We've terminated some offenders and lost some people, but this is the approach we've chosen.

It's leader-dependent. Our marketing org has gone fully remote, but our Finance and Ops teams are fully onsite. If you are not onsite regularly and the majority of your team is, it can impact promotions.

2. **According to [research from Glassdoor](), access to DEI programs dramatically dipped post-pandemic. Is [DEI still being prioritized]() in your organization? Why or why not?**

We reframed DEI to just "Inclusion & Belonging" and that reframing helped overcome some resistance.

We have been focused on diversity, and we did invest in a Director of DEI in 2020-21. They had two other employees on their team. When that Director left last year, we did not backfill the position. Since we have faced some (business) headwinds, it made sense... We are proud that we have not dampened the DEI programs since… but from an optics perspective, we have had employees (criticize our decision) to not backfill the role.

The more we heard that other companies were deprioritizing DEI, the more we prioritized it. We started an internship program, did some volunteer work, and hosted other education around DEI. It just motivated us to do more…. We really focus on inclusion.

How you set DEI objectives and position the role (if you have one) is critical; it can't be a fluffy, political thing and it has to add value. If people think it's merely a campaign or a political initiative, you're screwed. It must be organic and real.

The group that runs our DEIB team is called the 'People Experience Team' – (it reflects) the experience of everyone. We were intentional about the name. We are early in our journey and cannot go backwards.

We have a DEI Program Director helping us make sure DEI becomes a natural part of the core values (driving) the way we operate. DEI is shifting from being front and center but at the end of the day, it's still integral.

We invested in the DEI consultants at [Paradigm](link)… who do a great job of teaching how DEI should be woven into culture work, rather than as a standalone.

I have partnered well with [Collective DEI](link).

We are viewing DEI from the lens of: 'The best way to make progress isn't about hiring by itself but looking at systems and processes and weaving the values into our everyday culture.' We are working with [Mesh Diversity.](link)

3. **Outside of ChatGPT, is there an AI resource that has made a significant impact in [reshaping your HR function](link)?**

I'm seeing AI incorporated into more HR services and software... Personally, I want to see first-movers work out the kinks before I fully engage.

My hope (cop out?) is that our HR software providers should be embedding AI in their tools (ATS, HRIS, etc.) so that I don't have to worry about it.

We've tested [CoPilot](link) for capturing meeting notes, and it's been great. We've found that free versions (of AI resources) are problematic. It's hard to determine who owns the outcome and final derivative of what's put in. We're in highly technical fields and don't want that information/data out there in the public domain. The productivity tools are excellent though.

I love the idea of automatic meeting notes. Looking at Zoom's free add on, and also [Fireflies.ai](link).

I keep hearing that AI is going to replace my entire Talent Acquisition team, but I haven't seen anything.

We are having early success with [BrightHire](link) to help with TA efforts.

This month, there is a Bay Area [SHRM conference](link) on AI for HR professionals – very topical.

I'm using an enterprise license of ChatGPT.

We tried [MeBeBot](link) but got push back from our technical leaders.

We have a VP of AI. When you talk about leveraging (AI) across the company, there is a lot in terms of determining how we govern AI usage, but at least we have an AI leader [governance is a work in process and most board members do not fully understand AI and the implications].

I think Boards are trying to figure out where the lines are [for privacy, security, compliance, etc.].

[Lattice](link) just sent an email yesterday (announcing) that they have added a lot of AI functions to their system. The team asked to meet with us for a demo.

4. **What is the single greatest HR investment (role, relationship, system/automation tool, training, etc.) that you have made in the last year?**

We recently implemented Lattice, which was suggested by this Roundtable last year. We rolled out Leader 360 (feedback on our leaders) and are building out the goals. Our CEO really bought into this effort. His direct reports didn't hold back on their 360s of him, and he shared that feedback openly and transparently with everyone. He's

working on those issues and is setting a great example for everyone else. We'll expand to 360s at all levels, and we intend to start using the compensation planning tool later this year, too.

I had two people in contract roles and brought both on as full-time employees to my team!

We finally brought in an internal communications person and created consistency. Now, we have a (comms) plan that is not reactive.

Investment in creating hubs using WeWork for concentration of people >10 in an area.

I gained a mentor and that has been super helpful to me personally. We're working on getting an executive coach for our leaders.

We installed a high-performance management system that has been very effective. Prior to that, we had too many goals and objectives to track. We're seeing good results. (Resource: [Haffey & Co.](#))

Our biggest investment was moving to [Paylocity](#) for payroll and performance management. It has saved us thousands of dollars and improved service. We also moved from biannual reviews to quarterly conversations, and the feedback has been really positive. That said, Paylocity's performance management tool is not bad, but I may want to look at other options like [15Five](#).

We automated our entire onboarding process via [Rippling](#) from offer to 60-day check in, so now we don't have to remember to do things manually.

We switched out our HR system and got [HiBob](#). That has been fantastic. We also invested in [Go1](#)'s premium content library. When we did performance reviews, we used ChatGPT to recommend courses for people that are tied to what they want to accomplish. People loved having custom content. There are a ridiculous number of courses, and it has really helped us advance our learning & development.

With our stock being hit pretty hard last year ($1 billion public biotech), we worked with our BOD to put a retention program in place. We moved up our annual grant and also offered an option exchange. For those with underwater equity they could exchange it for RSUs. Even though it's not what they hoped for, it's been a great process. It helps that our stock has done well since we put that exchange in place. This was difficult to do – we had to file with the SEC, and we expect to get pushback from investors with our proxy coming up. But it was worth it – we've kept almost all of our high performers. (Resource: [Pay Governance](#))

We hired a second compensation/total rewards leader ($3 billion public biotech). As we are growing and commercializing, we're adding different types of positions and hiring more people outside of the U.S. We also take pay transparency seriously. So, getting comp right has been a priority. That investment on the front end pays dividends. People have more confidence that we're getting compensation right. We're dealing with some pretty competitive talent pools and managers sometimes want to overspend on people, but this allows us to be disciplined.

We invested in a new vendor called [Garner](#) (not Gartner). At most companies, healthcare costs are increasing 7-12% YOY. In just two months, we have had a cost avoidance of $150,000. We have 4,000 lives (employees and dependents) in the plan. The platform shares in the savings. [If you visit top providers, your costs are covered, including copays, tests, and surgeries. Members save an average of 80% on out-of-pocket costs per visit.]

Enhanced… fertility benefits. We are self-funded, so we can fund more. We cover 100% of employee benefits already, and we are looking for ways to uplevel and be more inclusive of the benefits we offer.

[Pave](#) for tech hiring compensation, and a Chief of Staff for my team (internal promo) have been winners.

We implemented [Pave](#) for comp band management and planning. It's been game changing and not that expensive.

We hired a comp specialist to support our merit and benchmarking work We have used this same company three times and it has been well worth it ([The Croner Company](#)).

We've had good luck with Nua (for compensation, benefits, and HR optimization consulting). It's a smaller boutique firm but their work product has been solid.

We brought in Alpine Rewards as comp consultants and engaged them in work that was soup to nuts.

We hired a really good attorney who knows Chinese business law. We've had cheap ones before, but I finally hired a $600 to $700 an hour attorney and it's made all the difference. Sometimes you do get what you pay for, especially in environments that are high risk. We also implemented Lattice about 18 months ago and I couldn't be happier. I haven't seen something that works as easily and flexibly.

We are implementing the Hone learning platform that has a different approach – featuring live virtual learning events. We have curated a remote-first leadership curriculum, and we are going to have cohorts that go through the curriculum together.

We use Culture Amp which has been game-changing… You earn the right to conduct a new survey by taking action on what you learn from prior surveys.

We have a pretty young org from a management standpoint, so our biggest investment was manager training… We did it all through Effective Training.

We invested in Crucial Conversations (using a Crucial Learning consultant). This was a big area of opportunity. We want to enable leaders to manage performance issues early on -- to coach people up or manage them out. Strengthening that skill has paid dividends.

One key area where we spent money was executive coaching. It's only been 6 months, and we feel the difference. It's a boutique small company called Mumford Sole. The owner works with us personally.

We ran a leadership development program called Extreme Ownership by Echelon Front… Motivation and engagement had been low here… and our people responded really well to the program.

An engagement survey showed us that our managers don't give enough useful feedback, whether constructive or positive. We started pulling together leadership competencies (leading self, others, and the organization) and are now curating materials that align to those competencies. We just implemented a new Human Capital Management solution with a strong learning component and trained over 75 managers (Resource: EZRA online coaching).

We brought in the L&D-focused organization Hands On, and they did a great job!

We adopted Big Think + as our learning platform.

We leveraged OpenSesame… and created a learning path of courses in a bi-monthly professional development series.

We implemented the entrepreneurial operating system. There's a couple books on it; the one I really like is Get A Grip. The system has started to take on a life of its own. People really like it.

5. What is the most urgent People-related goal that you need to accomplish at your company?

For us, it is about retention... We need every person engaged and on board… our future is depending on this because of our financial runway. We did a retention bonus last year to help with this.

We moved to all cash for retention. We have about 75% of our team members who are early in their career. Some of those people have not seen the upside (of equity) because they have not worked long enough.

We may change our vesting schedule for options and increase bonus payouts. That will be a big initiative for me in the coming months.

We've been trying to create an internal project hub for people to gain new experience by working outside of their core role 10- 20% of the time. But no one wants to give up their team's bandwidth to do that.

I need to focus on our location strategy. Not what cities we're in, but how we just grow where we find the right talent. We may be hiring in one country but then we get referred to or find someone in a different country and hire there. Sometimes they have nowhere to sit in the office. People in countries we're not hiring in as much then ask about benefits compared to competitors in their areas. We need a bit of behavior change around where we are hiring.

We are going to partner with remote.com until we decide we want to invest in creating an international business entity.

We use Blueback as our PEO and still have office space and employee challenges. It's more of a cultural and behavioral shift to get managers to think more holistically about hiring tradeoffs.

Culture and engagement are at the forefront for us. We had some challenges when we went public and had a significant reverse split which made it negative for employees, and had to do a lot of work around that… We have a lot of support from our BOD, and received extra equity to bolster grants to people -- that took us a long way.

I want to keep employee engagement at over 80%... and we're missing the peer-to-peer recognition piece. I have been looking at different tools/platforms. (Vendors mentioned: Wishlist, Nectar, Bonusly, Award.co)

Our company went through a RIF and engagement dipped. We are working on bringing the engagement back and did a focus group and linked it to thoughts about how we need to evolve. We will create an employee advisory group and have executives in those meetings… to drive engagement back up.

We've done two years of engagement surveys but will take a pause and do more pulse surveys in 2024. Those surveys identified some HR strategies to focus on. Key is improving meaningful conversations between managers and employees. Understanding psychological safety is a workshop coming up. We've also committed to skip-level and stay conversations. (Resource: Monarch Consulting)

We need to get the bumps out of our onboarding. We put in HiBob, and I'm hoping that will help automate and smooth things out.

Our primary focus will be prepping for expanded commercialization. We have 45 in US field sales. When coverage comes, we'll be expanding more rapidly, and need to prep for that. Onboarding and training are going to be absolutely critical since we have a pretty technical product.

We need to tackle clarifying our career ladders, technical and managerial tracks, and also defining and laying out leadership competencies. What is the expectation around being a people leader in this company? We're trying to iron out employee relations issues and give counsel and feedback to senior leaders around people management. We need to get much better at that and really mature as an organization.

We socialize big decisions before they're made. We typically start with the VP+ population and cascade down. We got very specific and gave them some actionable materials to take to their teams. It definitely helped with our engagement scores.

I'm planning to sign up with Gallup for an engagement survey soon. I'm told that Gallup can provide med device benchmarks, which is important to us. (Other resources suggested: CultureAmp, Glint, Quantum Workplace.)

This is more tactical, but we're focusing on "meeting effectiveness." People are in "short" 30-minute meetings all the time now. What used to be a quick discussion in the hallway has become a 30 minute or longer, formal meeting. We're trying to empower people to handle things on their own better and decrease (the number of) meetings.

6. **In 2023, many CPOs were seeking to avoid burnout while navigating the challenges of being short-staffed and overworked. Do you have the "green light" to grow your People team in 2024? Why or why not?**

We just laid off about 15% of our workforce, so we are flat in HR and going nowhere.

I can't hire (in HR) for a while, so I'll use consultants and technology in the short term.

We're growing, but I'm not adding people in HR. I'm leveraging technology to be smarter and faster.

We are growing a little bit. When I came in, the team was really small but with good startup experience. As we have evolved, we have had to become more strategic… (and) bringing in an HRBP model to the org will help.

We brought in a TA director last year and it's been a game changer [frees up the HRBPs to be more strategic].

I was approved to hire a Chief of Staff. For the People team, it's been the secret sauce to our org. Just the pace the team and I have been able to move at now has accelerated dramatically.

7. **How are you measuring the effectiveness of your L&D programs?**

   We always give a short survey after our training sessions and sometimes also give a survey 30 or 60 days afterwards. We also look at 360-reviews of managers who have or haven't gone through training to see if there are differences.

   We use peer-to-peer feedback on leadership as a measurement. Over time, we look at how people get promoted, move into new departments, or receive additional assignments within 12-24 months of training. We're trying to ensure we get the ROI we want.

   We are measuring by using "stay" interviews. We are asking what is most important and what they got out of the learning and development programs?

   We have been measuring how effective it's been through engagement surveys… We have really detailed timelines that we track.

   Our dashboard will measure manager effectiveness. I'll pull in engagement survey scores, turnover and promotion statistics, etc. over the last year within any group.

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