

**BusinessConnect**

A New Era of Smart

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# CHRO insights from the IBM C-suite Study

*Enabling growth, productivity, and culture change*



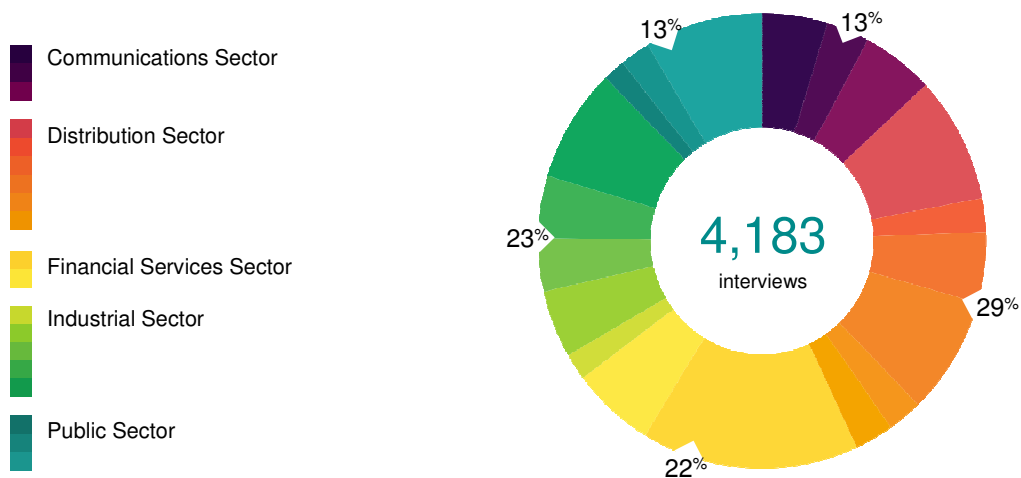
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A New Era of Smart

## 2014 Global C-suite Study



This study covers 4,183 face-to-face conversations with CxOs in 70 countries. Our respondents represent a wide range of public and private-sector organizations, covering more than 20 industries.



# The 2014 C-suite Study highlights the importance of developing a customer-activated enterprise



### *Open up to customer influence.*

Breaking down barriers to extend collaboration inside and outside—bringing the customer’s voice directly into the boardroom

### *Pioneer digital-physical innovation.*

Fusing traditional activities with social, mobile, and digital networks to create new products, services, and business models

### *Craft engaging customer experiences.*

Developing unique interactions that fulfill customer expectations and differentiate the organization from its competitors

## from Employee engagement to Client engagement



CHROs are recognizing needed changes in a customer-activated world

**Manage the critical roles needed to drive client engagement**

- Develop a deeper understanding of *employee engagement* and what motivates individuals in customer-facing roles
- Identify pivotal roles that create unique physical and digital *customer experiences* within your industry

**Promote involvement of HR function in the organization's business strategy**

- Go beyond the vision of HR function as only provider of basic transactions and facilitator of organizational processes
- Involve HR in *strategic and critical business processes* to enhance organization's profitability

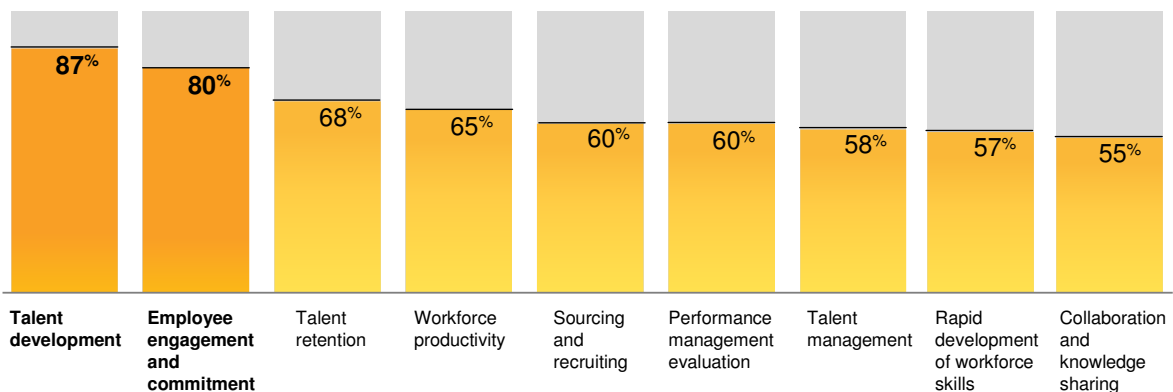
**Use Big Data, Analytics and Social Business to work better**

- Apply *workforce Analytics* to better source, allocate and develop employees that deliver customer experiences
- Improve *Social Capabilities* to address key workforce issues in a new collaborative way



Talent development and Employee engagement are already on CHROs' radar

Importance of workforce challenges today



Source: CHRO1-How important is it for your organization to address the following workforce challenges today and in next 3 to 5 years?; n=320 [CHRO only]



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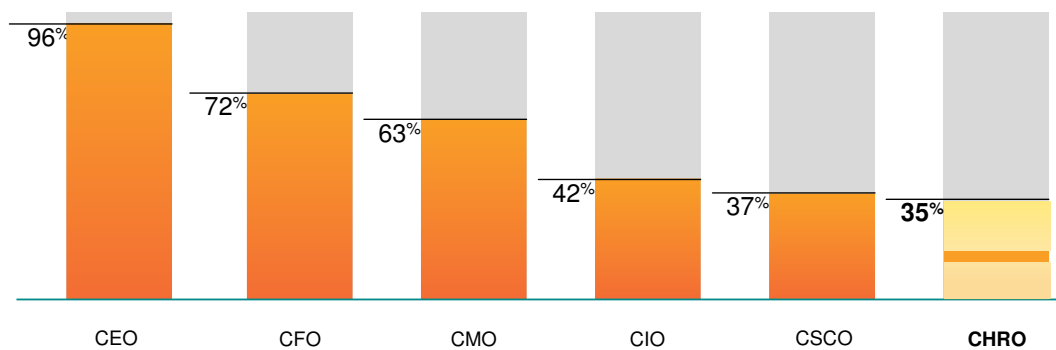
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## Compared to other roles, CEOs are not turning to CHROs for strategic guidance

Involvement in organization's business strategy according to the CEO

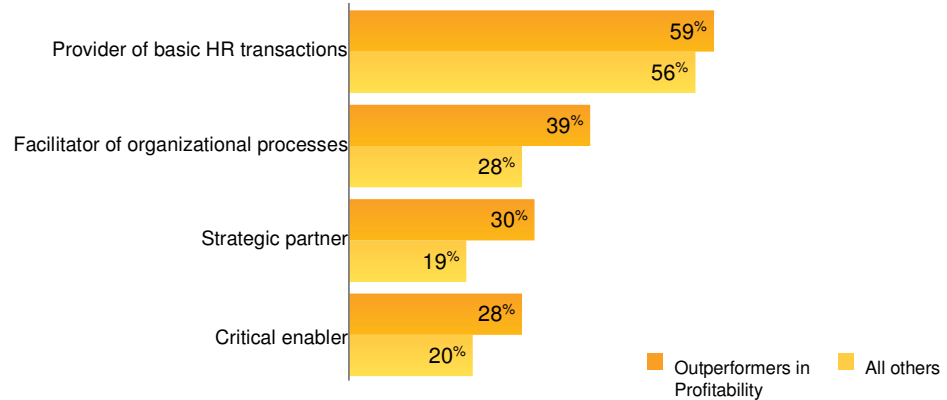


Source: Question CEO2-Which senior executives are involved in formulating the organization's business strategy?: n=701 [CEO only]



However, in outperforming organizations, the HR function is more likely to be viewed as more strategic and critical

**Perceived effectiveness of HR by CxOs (excluding CHROs)**



Source: Question E13—How does your enterprise perceive the effectiveness of HR in the following areas?; n=172 to 1704 [All roles except CHRO]

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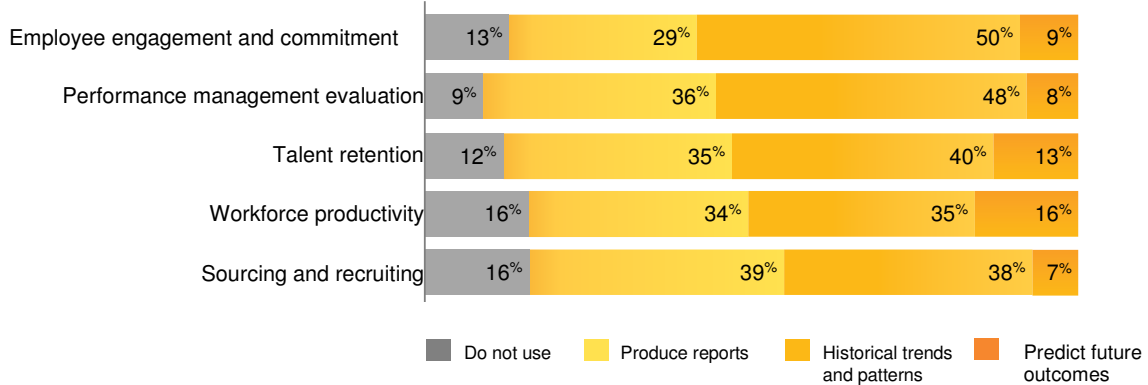
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Just over half of organizations are truly tackling workforce analytics

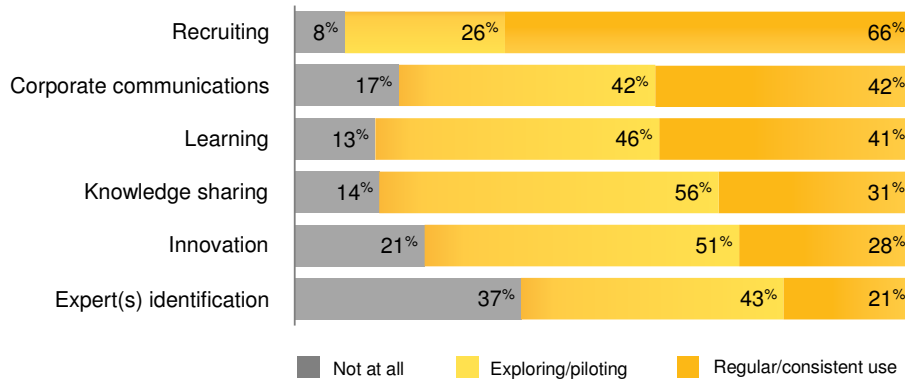
Use of analytics today



Source: Question CHRO6–To what extent does your enterprise use social tools and approaches for the following activities?; n=321 [CHRO only]; numbers may not sum to 100 percent due to rounding

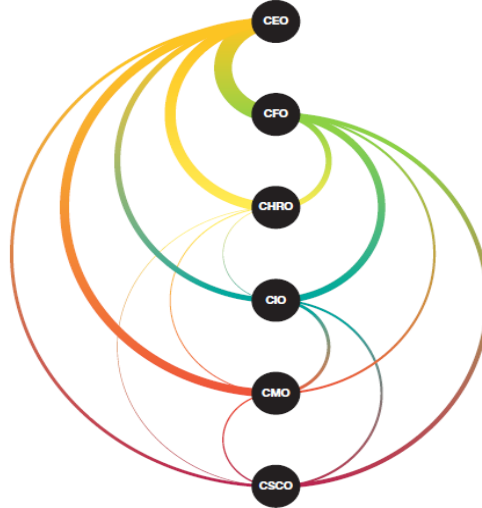
CHROs are in the early days of applying social approaches within the organization

Use of social tools



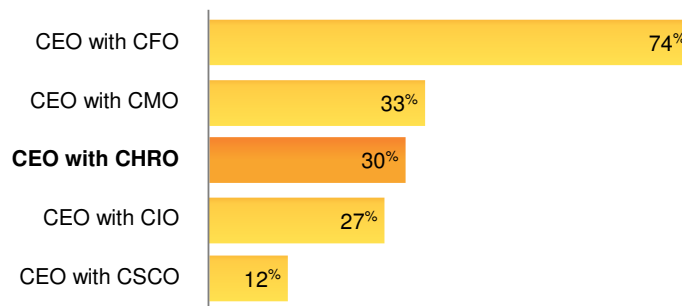
Source: Question CHRO6–To what extent does your enterprise use social tools and approaches for the following activities?; n=321 [CHRO only]; numbers may not sum to 100 percent due to rounding

Collaboration within the C-suite itself is important too – CxOs form an intricate web of relationships to drive performance



With the exception of the CFO, CEOs work as closely with CHROs as they do with others in the C-suite

**Collaborating with the CEO**



Source: Question B6-Which of your C-suite peers do you work most closely with in support of the enterprise?; n=101 to 636]