



ODGERS BERNDTSON

# HR STRATEGIC TRANSFORMATION 2023



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in Portugal

**Nº2**  
in Europe

**Nº6**  
in the world

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- Talent Acquisition
- Talent Assessment
- Young Talent



# ÍNDICE

04

**OUR VISION FOR  
THE FUTURE**

05

**EXECUTIVE SUMMARY**

08

**I. ENSURING A  
BUSINESS-ORIENTED  
STRATEGIC AGENDA**

12

**II. FURTHER EMPOWERING  
HUMAN RESOURCES TEAM**

14

**III. CHANGE-ORIENTED  
ORGANISATIONAL MODEL**

19

**IV. NEW SKILLS PROFILE  
FOR HR**

21

**V. NEW HR LEADER PROFILE**

23

**HOW CAN  
ODGERS BERNDTSON HELP?**

24

**METHODOLOGY**



# OUR VISION FOR THE FUTURE



**Maria João Gomes**

PARTNER LEADERSHIP AND TALENT STRATEGY

Pre-pandemic (before we could have known what was coming), Odgers Berndtson was studying the level of Leadership Confidence to embrace disruption and an unprecedented pace of transformation, with significant impact on organisations and teams (Leadership Confidence Index). At the time, confidence was relatively low (only 15% of Leaders felt confident in their ability to manage the challenges ahead), but one of the emerging forces was the need to effectively manage talent like never before. In the context of disruption, talent was seen as crucial and CHROs were emerging as a critical role in organisations. Soon after the pandemic, the confidence level increased (from 15% to 40%), and the CHRO, perhaps unsurprisingly, was now considered part of the top leadership triumvirate, alongside the CEO and CFO.

As proven by recent events, organisations will continue to struggle with the pace of change, disruptive forces and increasingly complex global challenges. When we carried out our Organisational Excellence Index in 2022, participating CEOs Executives identified Talent Management as the dimension that would require the most attention to face this context.

The aim of this study is to analyse the current situation in Portugal and how HR leaders and teams are preparing to play a crucial role in effecting business strategy and creating value for colleagues and shareholders.

In essence, we aim to reflect on the role of HR and its increasing validation as business leaders on a journey of enormous transformation and extraordinary events that impact the way we look at talent within organisations.

The coexistence of so many changing variables forces us to challenge the context and the teams to tap into their maximum potential. The digital revolution is no longer about the future; it's now in the present and it demands objective, factual and quantifiable solutions for decision-making. The younger generations bring new demands that create intense pressure on the company/employee relationship, while simultaneously proving the best partners in this transformation process. Their aspirations, perspectives and ideas can be the driving force behind an unprecedented organisational evolution.

Amid this evolution, we may face a new paradigm for Human Resources teams, who must fully realise their role as leaders of strategic transformation.



# EXECUTIVE SUMMARY

## The strategic ascension of HR

In recent years, in a world where digital transformation and business agility have become priorities for organisations, the role of Human Resources (HR) in Portugal has evolved. Though not yet entirely consolidated, this evolution is already noticeable within these teams, which now assume a more strategic role as opposed to their previous predominantly transactional one.

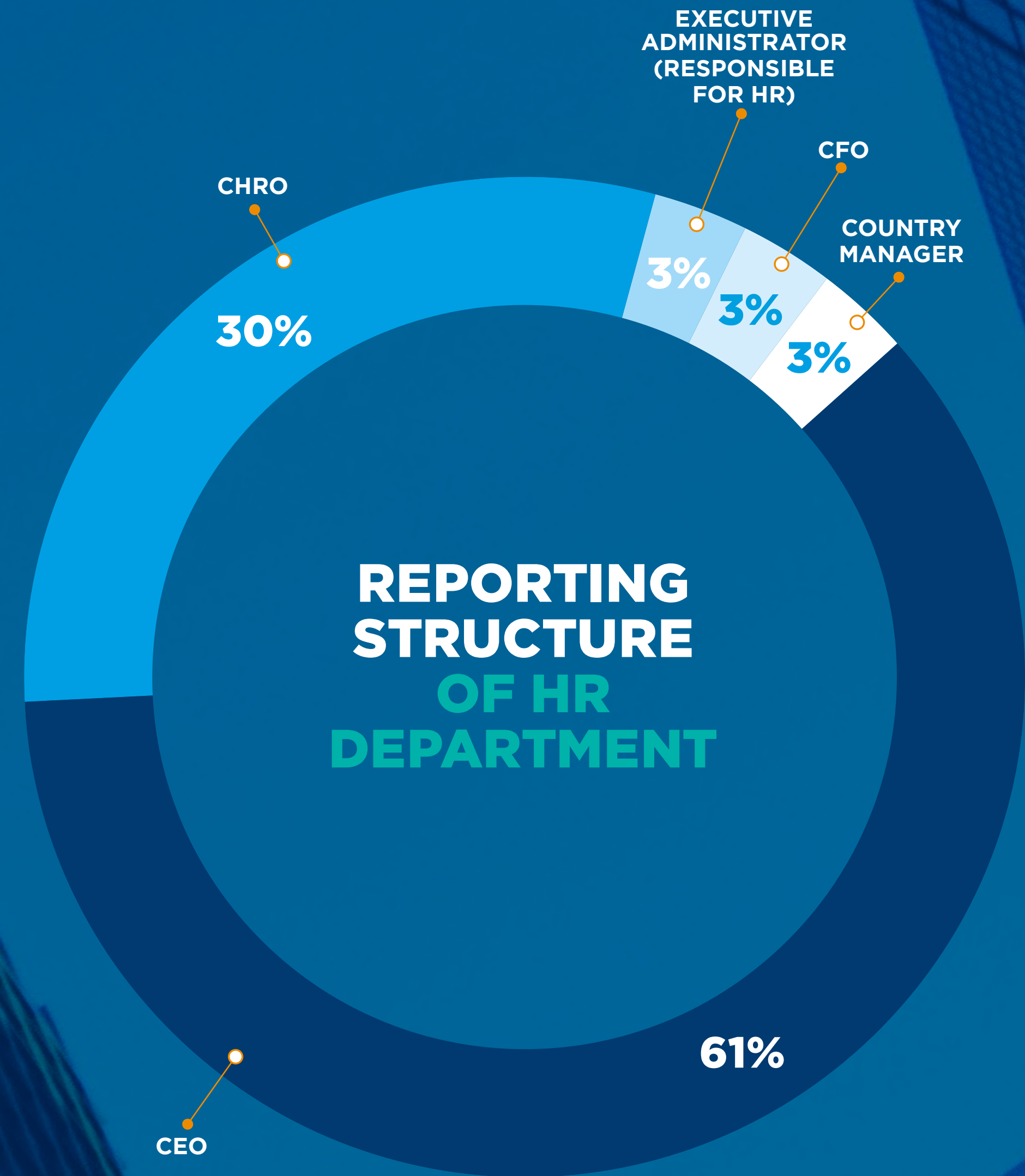
This evolution is coupled with a closer proximity to the "decision-making table", with 61% of the participants reporting directly to the CEO. This marks a significant change as previously most HR areas reported to the CFO (currently only ~3% of respondents continue to do so) and reflects the increasing relevance and influence of HR. This direct reporting line also presents an opportunity to place the issue of Talent on the strategic agenda of organisations.

However, despite the evolution of the HR role, there are still a number of challenges facing HR teams.

The Odgers Berndtson leadership model identifies 3 main responsibilities of a strategic leader:

- **Anticipating** the future;
- **Inspiring** people;
- **Delivering** sustained results.

However, many of the HR leaders who participated in the study recognise that, in actual fact, most of their time is still spent on delivering short-term results. This prevents them from allocating the necessary time and attention to focus on anticipating trends and opportunities and inspiring key stakeholders; all of which are necessary elements for driving organisational transformation. In fact, these leaders admit that they usually devote less than 20% of their time "Anticipating", which limits their performance and consolidation as a true strategic business partner.





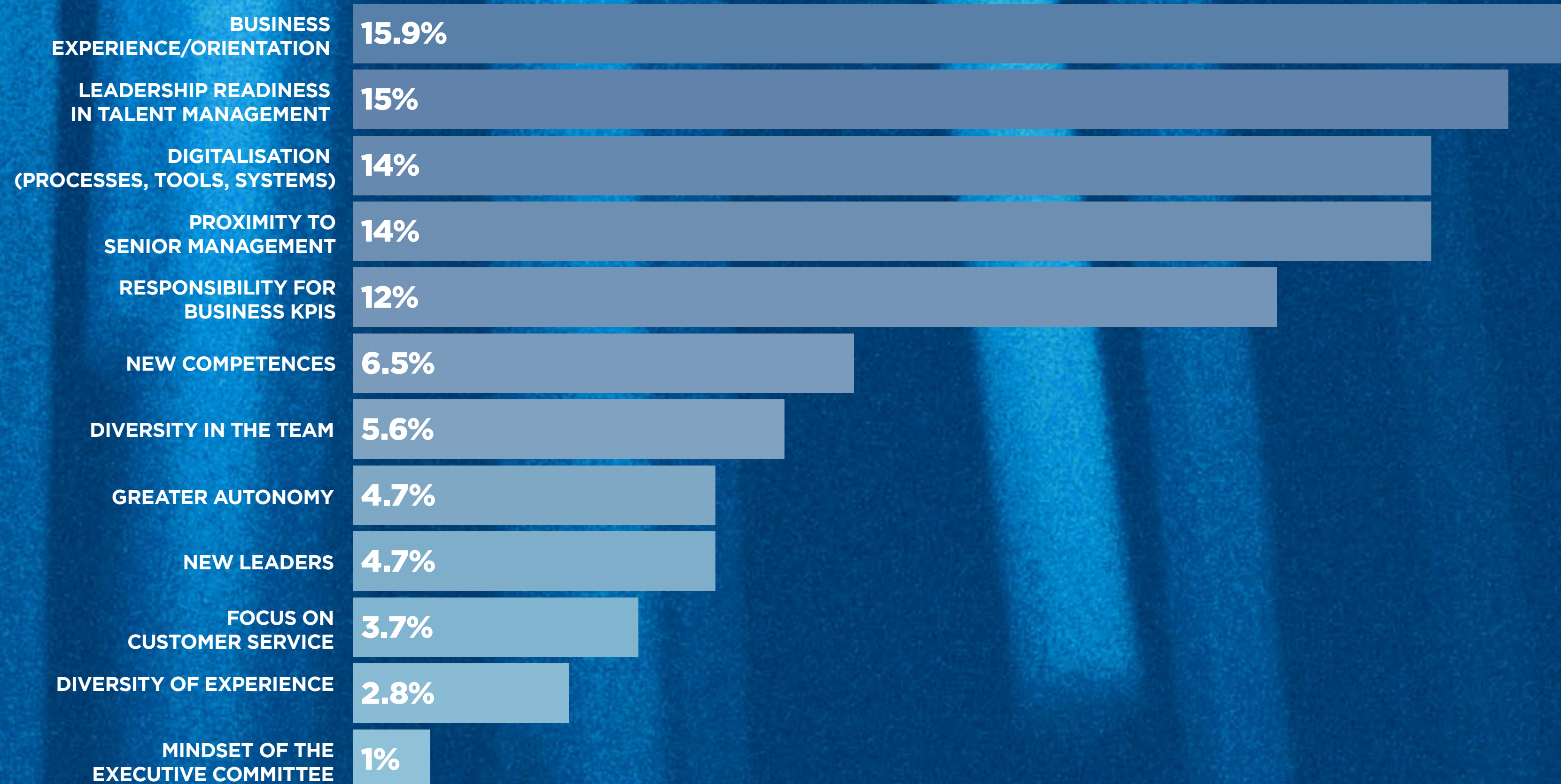
# Challenges that outline the path

## 5 main priorities for the future:

- 1 Ensuring a strategic business-oriented agenda,**  
sharing and delegating responsibility for talent management and the development of future leaders within the business, as well as rethinking HR's KPIs/scorecard in line with strategic objectives.
- 2 Empowering the HR area**  
by establishing a closer proximity to Senior Management, defining a clear vision for the future, leading strategic talent forums and ensuring decisions are based on concrete data.
- 3 Defining an Organisational Model geared towards Change,**  
implementing new models that make HR teams more agile and efficient, while diversifying their scope of action by incorporating new areas, such as Sustainability, Internal Communication or Transformation.
- 4 Ensuring diversity of skills in HR profiles,**  
incorporating analytics, transformation and digitalisation profiles. Conversely, ensuring diversity of experiences thereby facilitating increased mobility between HR and business areas, in order to better understand the context and challenges of the business.
- 5 Transform the profile of the Human Resources Director (HRD),**  
evolving from a People Manager to a Transformation Leader with close proximity to the business, strong strategic and stakeholder management skills and high adaptability. In short, a true business leader.



## KEY TOPICS FOR HUMAN RESOURCES TO BECOME MORE STRATEGIC





# I. ENSURING A STRATEGIC BUSINESS-ORIENTED AGENDA

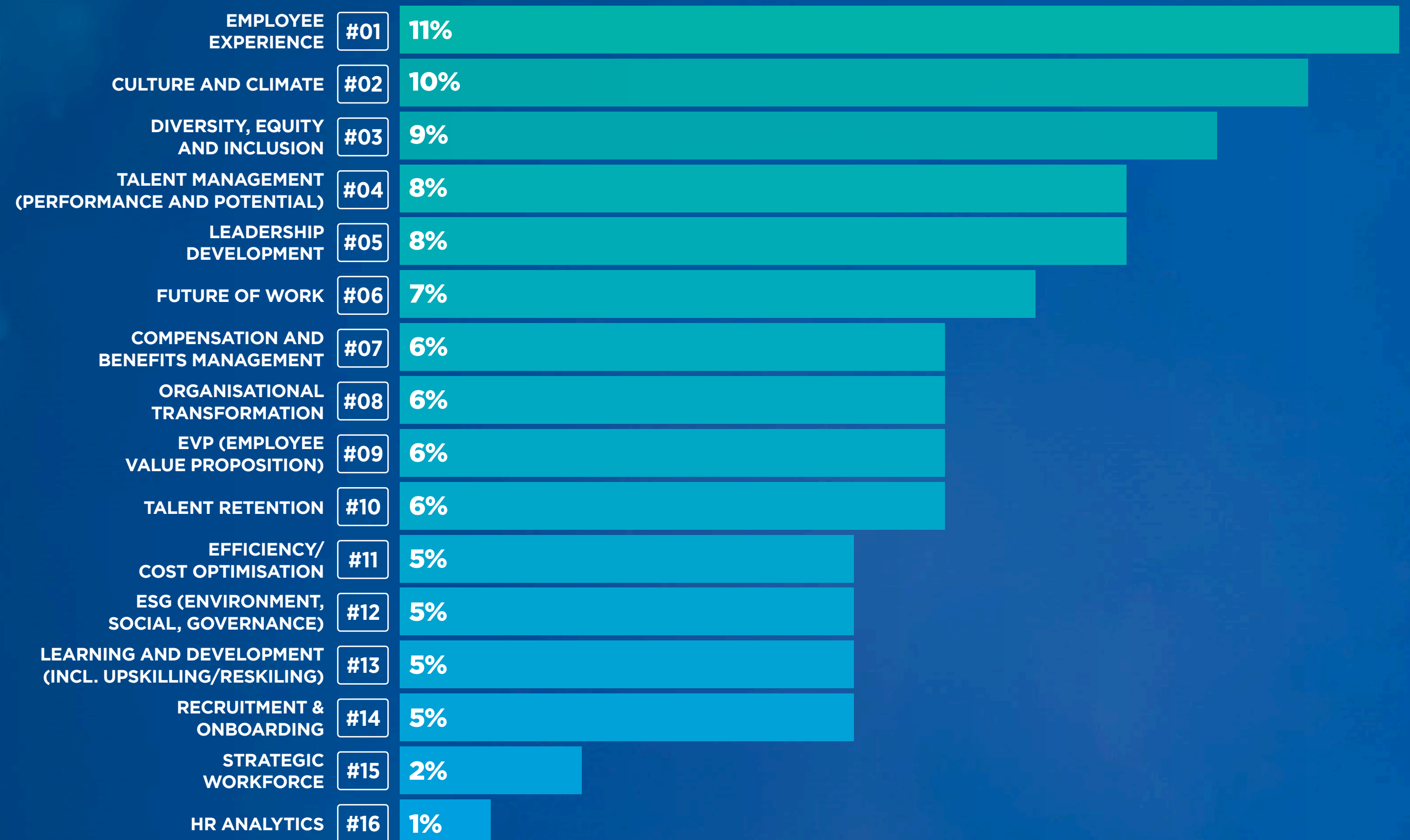
## HR leaders' agenda priorities

When analysing the main trends/challenges that have been priorities for HR in recent years, it is evident that their attention was primarily directed towards three areas: Employee Experience (11%), Organisational Culture and Environment (10%), and Diversity, Equity, and Inclusion (DEI) (9%).

These topics have been and continue to be relevant, considering the growing "power" of employee expectations towards organisations, driven by the demands of the new generations. Millennials are expected to make up more than 70% of the workforce in two years, with Generation Z becoming increasingly represented. The search for purpose at work challenges organisational culture to align more closely with employees' core values. Finally, Portugal's lag in DEI when compared to other European countries has accelerated the need for greater emphasis on this issue. According to the Gender Equality Index of the European Institute for Gender Equality (EIGE), Portugal only ranked 15<sup>th</sup> in 2022.

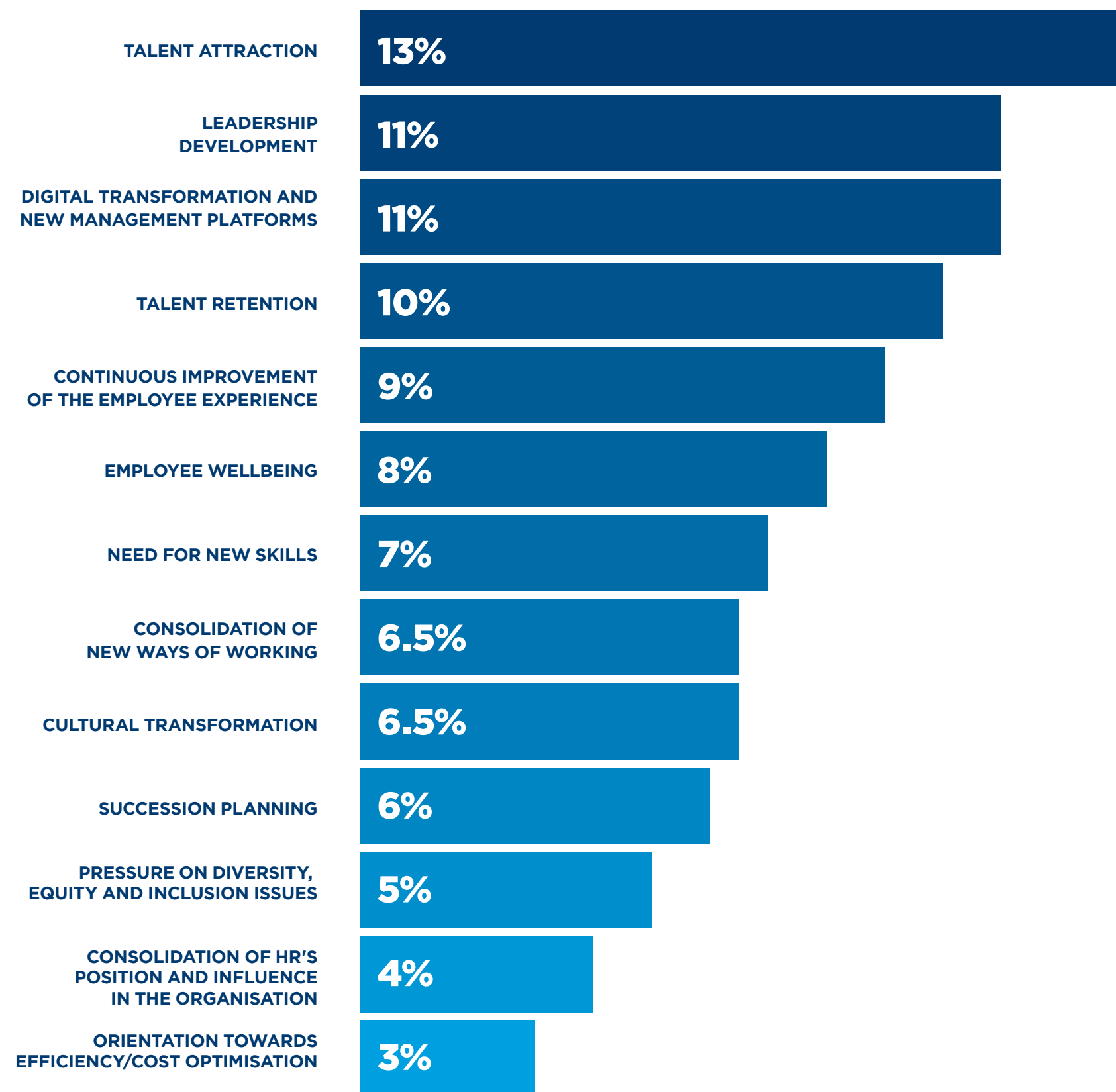
Looking ahead, there is an even greater focus on employees, with approximately half of the surveyed leaders prioritising Talent-related issues as the main challenges of the future. This is especially true in terms of attraction and retention, leadership development, and digital transformation.

## HUMAN RESOURCES TOPICS THAT GAINED PROMINENCE IN RECENT YEARS





## THE BIGGEST CHALLENGES FOR HR TEAMS IN THE COMING YEARS



Talent has become the main driver of value for organisations, and although the "war for talent" is not new, contextual changes continue to accelerate this challenge. On one hand, technological advances have created a need for specialised talent in new areas (e.g. data science, artificial intelligence) where talent is still scarce. On the other hand, increasing globalisation and remote working are forcing companies to compete not only at national level, but also with international players.

In addition, new generations have different career priorities to those of previous generations. They value elements such as work-life balance, flexibility at work, a clear purpose and the feeling of contributing to a greater good, in detriment of elements such as professional stability, loyalty to the organisation and "conventional" benefits. Furthermore, we have to take into account different employment contractual situations within the workforce, such as permanent workers, consultants, freelancers or even volunteers, with different expectations and ways of working, all of whom must be harmoniously involved and committed to the organisation.

All these elements force organisations to readjust their talent attraction and retention strategy, rethinking their value proposition to better align themselves with market demands and guarantee their most significant differentiating factor.

While the ability to attract talent is imperative to ensure a diverse and highly qualified workforce, leadership development is essential to face complex challenges and explore growth opportunities. Digital Transformation, meanwhile, is undoubtedly a response to the technological changes that are shaping the way companies operate and interact with their employees and clients, requiring agile and effective adaptation. HR needs to take on the role of promoters and agents of change, as up until now business has been the main catalyst. A more strategic shift requires them to take the lead.

“ Our strategic growth depends on our continued ability to attract and develop talent. Nowadays, our talent expects us to be able to provide new opportunities as well as high exposure, challenges and proximity to decision-making. We are committed to initiatives to accelerate talent, whether through careers with functional and geographical mobility or development programmes that place talent directly at the strategic discussion table with our senior leaders. Our directors are responsible for and sponsor these initiatives, which ensures the sharing of perspectives and continuous strategic challenges throughout the organisation, preparing it for the future. ”

**EDP | Paula Carneiro**  
 Head of Global People  
 & Organizational Development



# BUSINESS ALIGNMENT

## Leadership development

In most organisations, responsibility for leadership development is shared between HR and business leaders, but it still falls predominantly on HR teams **(59% by HR and 41% by business leaders)**

Preparing leaders means preparing the organisation for the future. It is, therefore, crucial that HR shares this responsibility and places the issue on the agenda of the business leaders who interact with their teams daily. At the same time, they must provide the necessary tools, enabling individuals throughout the organisation to take on a more active role in talent management and leadership development. HR should act as a partner and trusted advisor in this process but should not be the protagonist or main decision-maker.

Some of the largest organisations in Portugal are investing heavily in identifying "Leaders of the Future" and identifying and preparing potential successors to ensure the necessary agility in renewing leadership. Increasingly, the timely identification of these future leaders through investment in development processes (e.g. functional enrichment and rotation, international assignments, reinforcement of technical and management skills) is becoming a factor for competitive affirmation.

“CUF’s success is the success of its employees, and leadership is the critical factor for its teams to achieve it. Ensuring exemplary leadership is an imperative priority for our growth and sustainability. We have a lot of talent in the organisation, and we need to ensure we know them well and consistently help them reach their full potential to ensure they are ready to take on bigger leadership challenges in the future.”

**CUF | José Luís Carvalho**  
Human Resources Director



## RESPONSIBILITY FOR DEVELOPING LEADERS





# SUCCESS METRICS

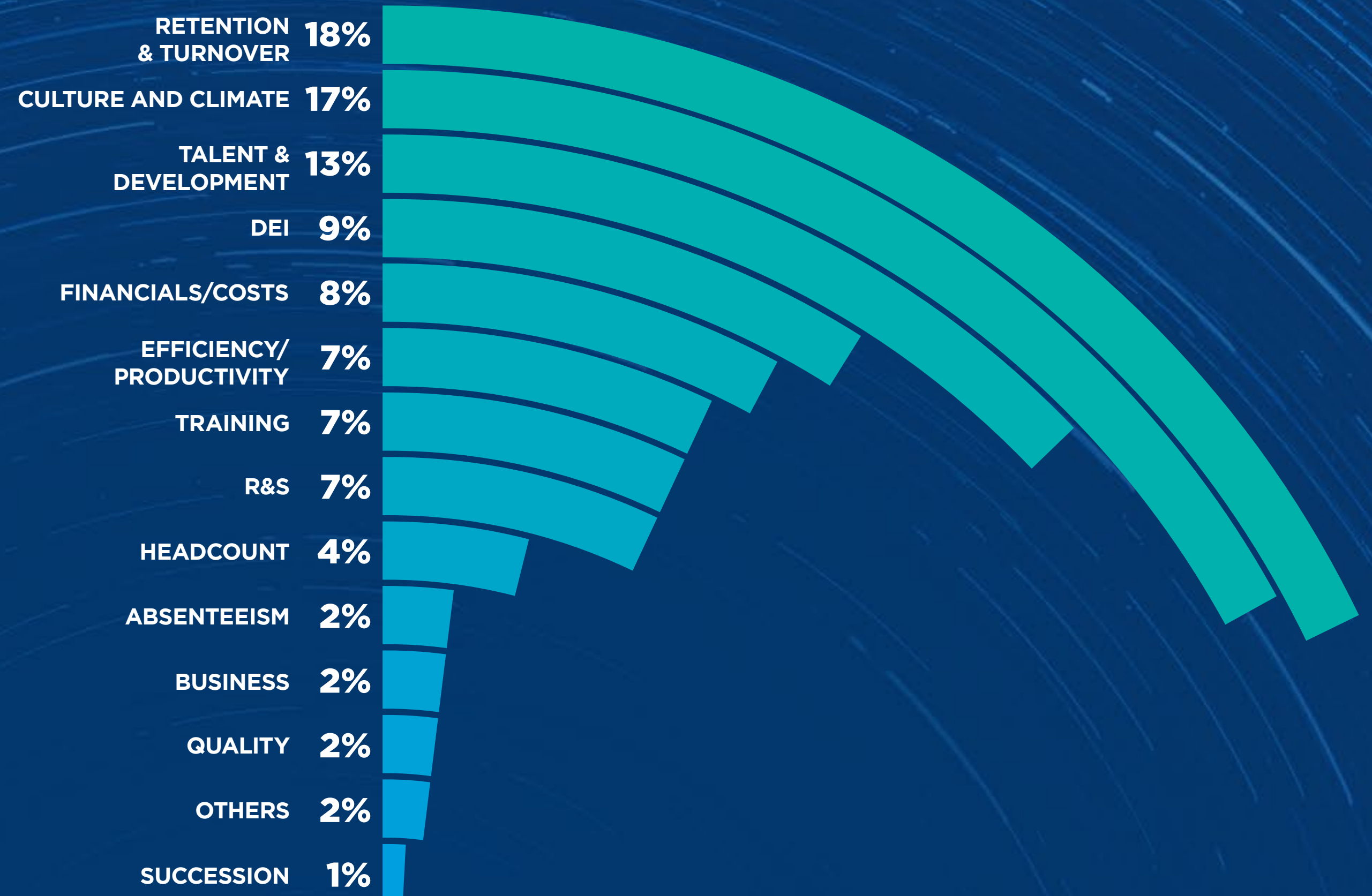
## Linking HR and Business KPIs

Galileo said that it is fundamental to know how to “measure what’s measurable and measure what’s not” - without a clear direction and definition of what constitutes “success”, we can hardly direct a team’s efforts towards the right priorities that will make a difference to the business. Although defining Key Performance Indicators (KPIs) is common practice in HR teams, most metrics track aspects such as turnover, time-to-hire, training hours, eNPS, diversity indicators and cost control. In other words, they generally don’t include business indicators. This gap, therefore, hinders HR’s fundamental contribution to achieving business objectives while simultaneously perpetuating the perception of an indirect and reactive approach.

In order to guarantee a consistent and aligned strategy, it is imperative to include business indicators in HR KPIs and integrate key talent management indicators into business KPIs so that responsibility can effectively be shared, making talent management collaborative, agile and effective.

Sharing KPIs helps HR to “speak business language”, facilitating more strategic and informed decisions.

## MAIN KPIS FOR HUMAN RESOURCES TO SUPPORT THE BUSINESS





# II. FURTHER EMPOWERING HUMAN RESOURCES TEAMS

Despite the optimism about the growing influence of HR in organisations, data shows that there is still a long way to go when it comes to affirming HR as a strategic decision-maker.

For example, HR's participation in the Executive Board's succession plans is still significantly heterogeneous. In some organisations, HR plays a critical role in this process, while in others, their involvement is noticeably lower or late, and they are not called to the decision-making table from the start of the discussion.

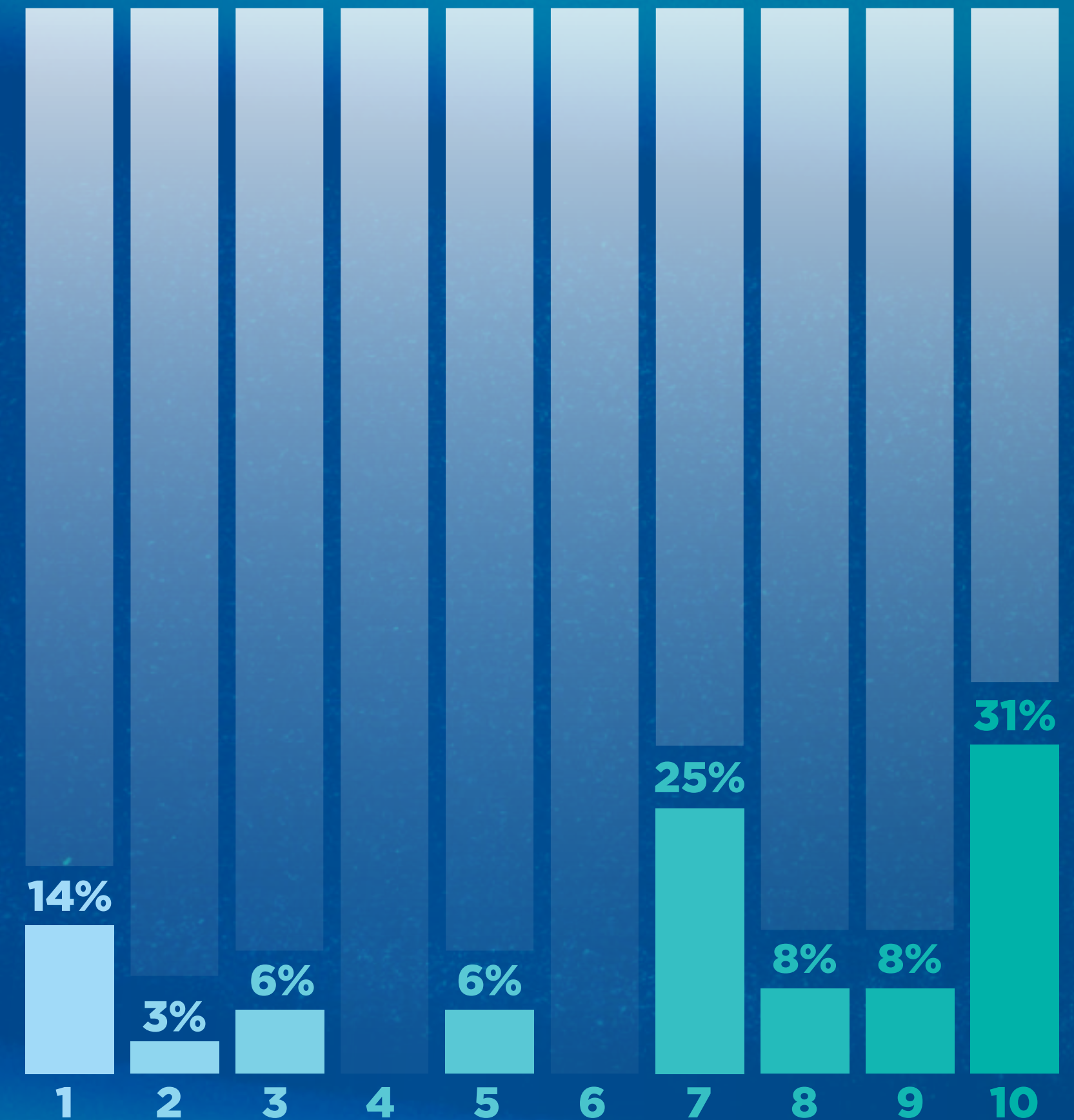
Closer proximity to senior management allows HR to play a more strategic role, fully aligned with management's vision and objectives. Reporting directly to the CEO/CHRO is a positive indicator that allows HR leaders and teams to assert themselves in a strategic role. However, it will be equally critical for these leaders to be part of strategic discussion forums, whether it's having a seat in the Management Team, coordinating People/Talent Committees or joining other relevant committees such as the Innovation and Diversity, Equity and Inclusion Committees. In short, they should be involved in forums that allow them to acquire a global vision of the organisation and actively contribute to strategic definition and discussion.

“Preparing future leaders is in our DNA and is part of our commitment to our stakeholders and the communities in which we operate. This is why, the definition of the Leader profile takes place at the highest level, ensuring that we have the right leaders, both now and in the future. A leader at José de Mello leader is an ambassador for our culture and core values and must inspire others; they must be an example to follow, who makes our people, clients and partners proud.”

**JOSÉ DE MELLO | Luís Wissmann**  
 Director of People and Talent Management



## HR IN ACTIVE DISCUSSIONS ABOUT THE COMPOSITION AND SUCCESSION OF THE EXECUTIVE BOARD MEMBERS





# THE POWER OF DATA

A key lever for strategic assertion is the ability to discuss and decide based on data, supported by robust tools such as **HR analytics, Predictive analytics** or **Strategic Workforce Planning**.

Interest in the use of HR analytics has grown exponentially in recent years. At a global level, it is increasingly moving towards a predictive direction in various areas. Some examples include predictive recruitment, which makes it possible to identify the candidates most likely to be successful in a given role; pulse surveys or sentiment analysis, with real-time data on employee engagement levels based on employee feedback; detecting trends and actions to improve engagement, or even identifying which recognition and reward programmes most motivate employees based on their preference and performance, making it possible to create more customised and effective recognition models.

Companies like Google have used data from a "forward-looking" perspective for over a decade, predicting employee turnover and defining more robust retention strategies for key employees who may be at higher risk of leaving.

In Portugal, however, data indicates that these issues have not yet been prioritised by HR (<2%, see graph "Human Resources topics that have gained prominence in recent years"), partly due to a lack of analytical profiles or suitable systems to enable them to develop these tools.

Although most organisations have made efforts to ensure the production of information, very few strategic HR decisions and risk mitigation actions are genuinely based on data. Its use is still very limited to the reporting sphere, and there is a significant gap in the ability to manage and act early based on information from this data.

“ Our ambition to continue leading the market requires us to anticipate trends and act proactively. Strategic Workforce Planning at MC allows us to align the organisation’s strategy with the needs of our teams, when anticipating the need to attract and accelerate talent by identifying skill gaps in line with the company’s new strategic requirements, for example. SWP allows us to implement specific actions to provide the business with the skills and profiles necessary for our growth, in an agile and structured way. ”

**MC Sonae | Vera Rodrigues**  
Head of People





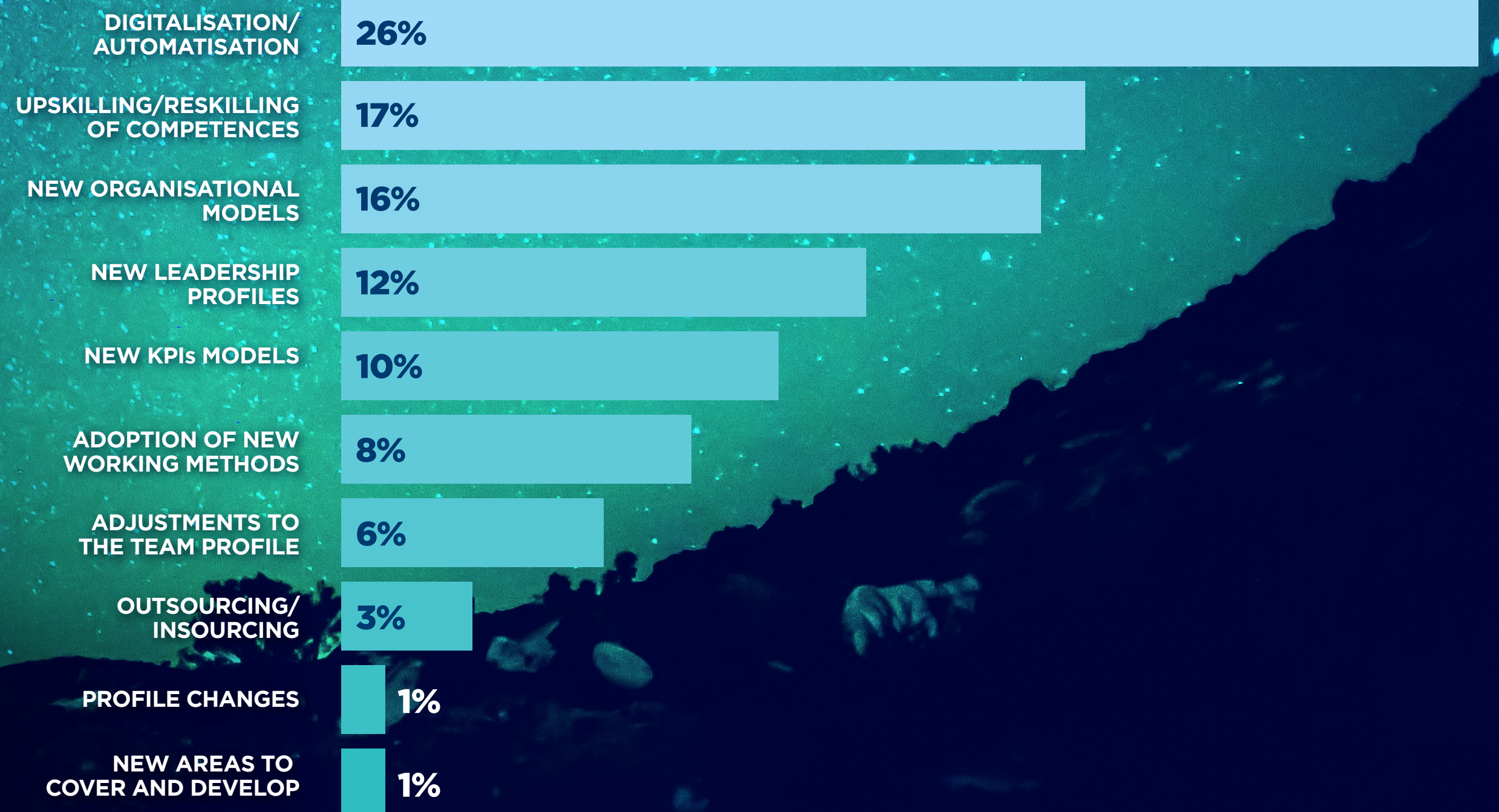
# III. CHANGE-ORIENTED ORGANISATIONAL MODEL

In this new paradigm of HR being increasingly more strategic, relevant, and focused on monitoring indicators for a more significant impact, there is a need to reconsider operational models.

International trends point to significant changes in these teams' operational models over the next few years. In Portugal, these leaders also highlight this dimension as one of the main transformations and one that will continue to gain prominence in the coming years.

These new models incorporate changes such as the redefinition of HRBPs' roles into more specific functions, the creation of dynamic teams of "problem solvers", the implementation of next-generation Centres of Excellence to provide agile support, and the development of robust service delivery and operations teams. Everything points to HR transactional tasks being more externalised.

AREAS WHERE THE GREATEST CHANGES ARE EXPECTED TO OCCUR IN THE STRUCTURE OF THE HUMAN RESOURCES TEAM







We are also seeing various organisational models emerge globally, such as Agile, Ex-driven, Leader-led, Machine powered... Selecting the most appropriate model depends on the organisation's strategy, culture, and the preparation of the HR team, among other factors. In common, these new models have a focus on agility, the employee experience and the use of technology, such as automation software or data analysis.

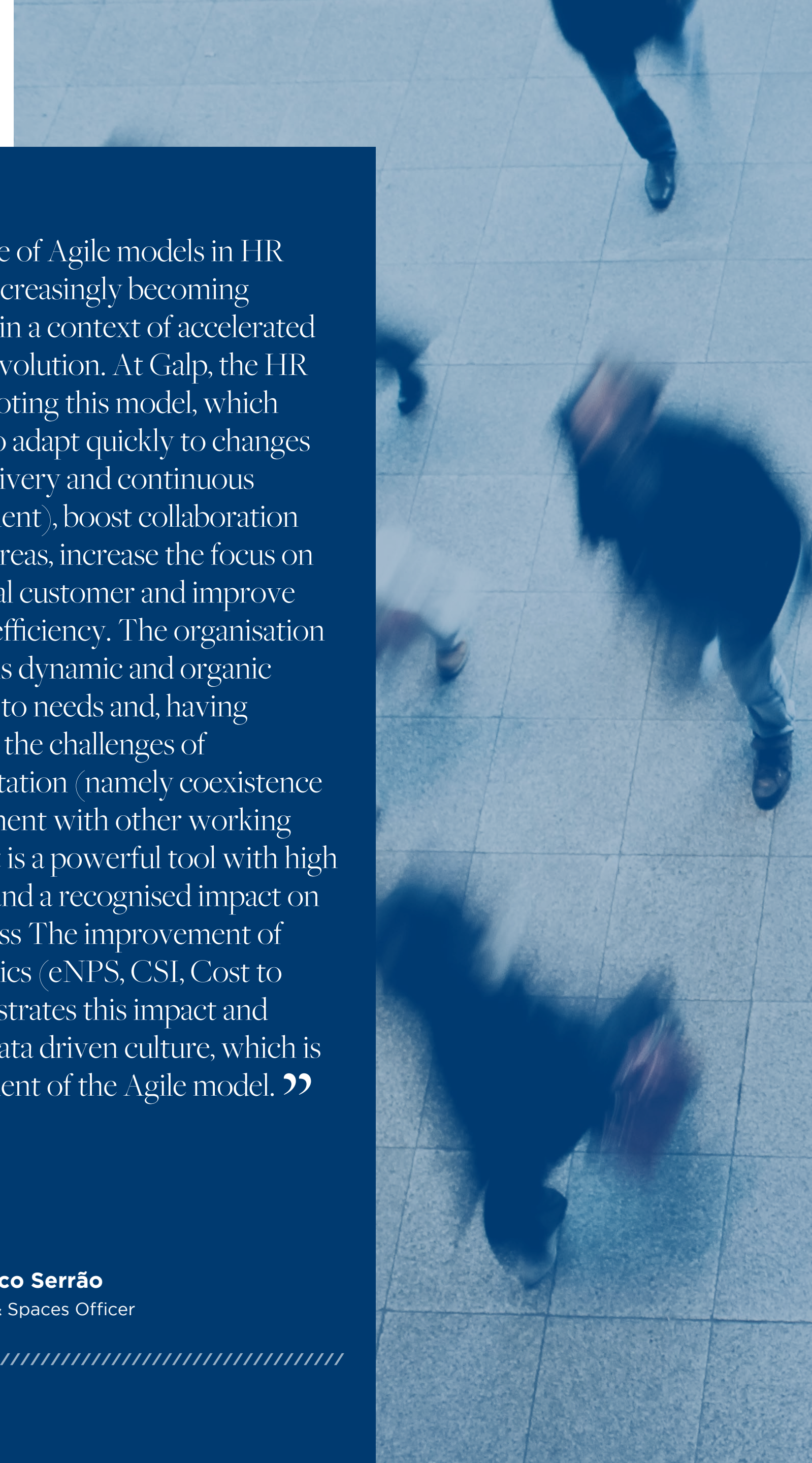
In Portugal, the organisational model that divides functions into "Run" and "Change" (Ulrich) continues to be a trend in the HR field. This model allows HR teams to combine dual roles. "Run" refers to traditional functions focused on day-to-day operations, such as payroll, operations and registration. "Change", on the other hand, reflects the strategic side of HR, working closely with senior

management to drive organisational change, develop talent and strategically plan the workforce. The key to success lies in balancing these two aspects to guarantee the effectiveness of the HR department, ensuring day-to-day operations without neglecting the strategic aspect.

The Agile model is also emerging, enabling teams to collaborate more effectively and quickly deliver on critical acceleration and transformation projects (e.g. rethinking the talent model for new generations and creating further consultation and engagement models). Scrum, Kanban and Design Thinking methodologies are typically used in this context. According to our clients, adopting these practices still requires a cultural and mentality change, as well as a strong training component and alignment with the rest of the organisation.

“ The use of Agile models in HR teams is increasingly becoming necessary in a context of accelerated strategic evolution. At Galp, the HR team is piloting this model, which allows it to adapt quickly to changes (sprint delivery and continuous improvement), boost collaboration between areas, increase the focus on the internal customer and improve response efficiency. The organisation of squads is dynamic and organic according to needs and, having overcome the challenges of implementation (namely coexistence and alignment with other working models), it is a powerful tool with high potential and a recognised impact on the business. The improvement of main metrics (eNPS, CSI, Cost to Serve) illustrates this impact and fosters a data driven culture, which is a key element of the Agile model. ”

**GALP | Marco Serrão**  
Chief People & Spaces Officer

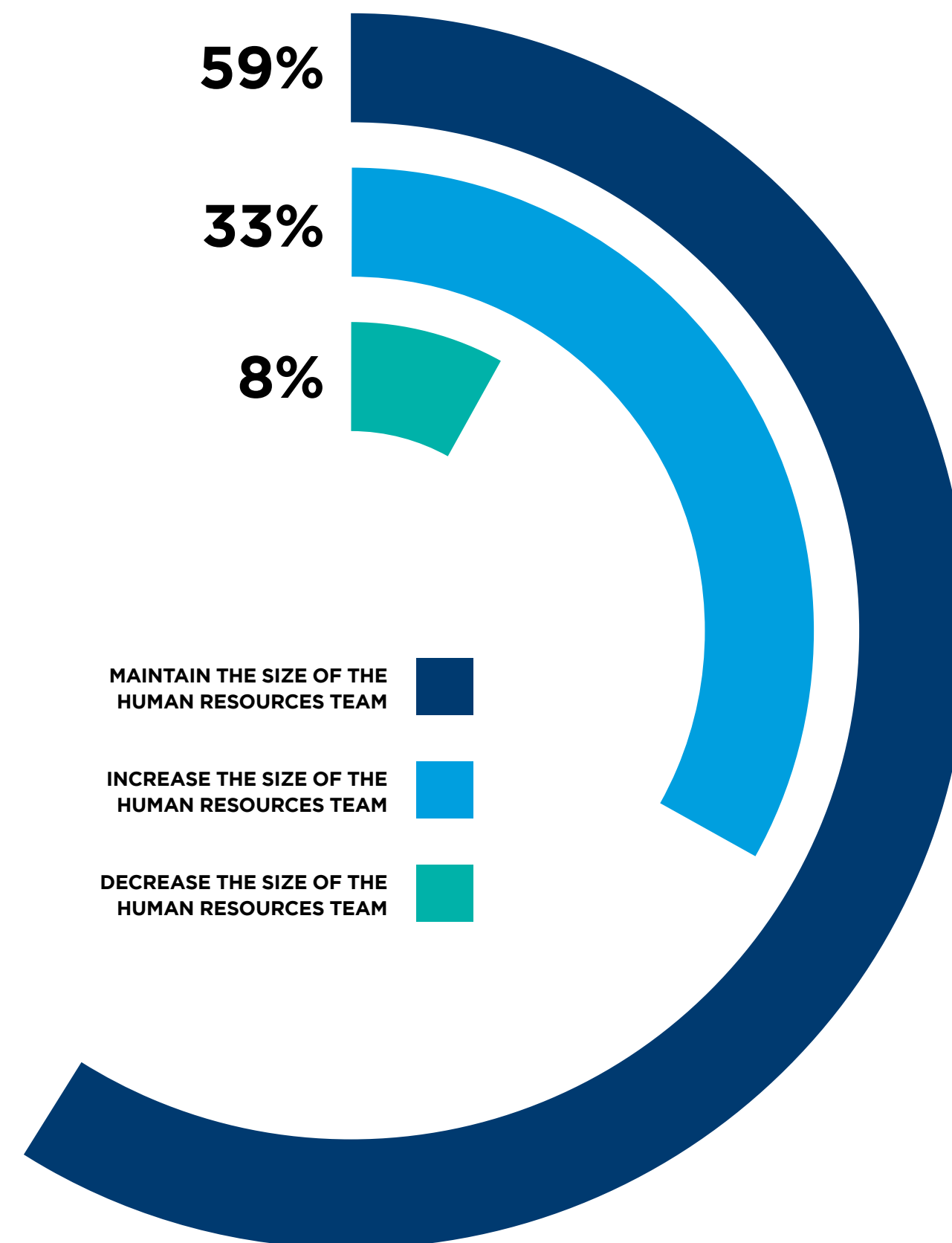




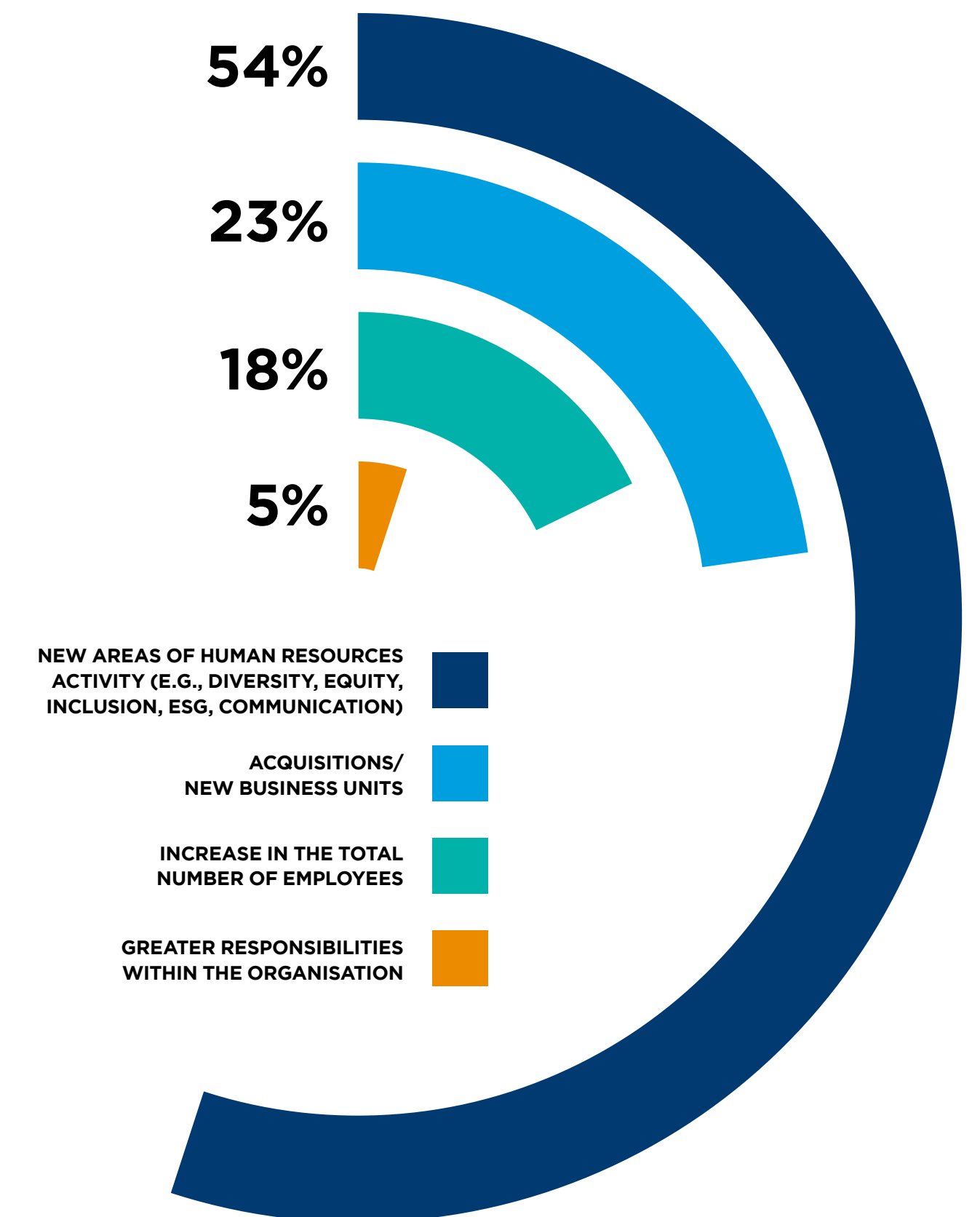
# NEW AREAS OF ACTIVITY

Another emerging aspect is the diversification of HR teams' areas of activity. Just over a third of those surveyed say they plan to increase the size of their teams over the next two years, with 54% indicating the creation of new areas as the main reason for doing so.

## INTENTIONS FOR THE NEXT TWO YEARS



## REASON FOR THE EXPECTED INCREASE IN THE SIZE OF THE HUMAN RESOURCES TEAM







These new areas include Technology and Data Analysis, Diversity, Equity, and Inclusion (DEI), Wellbeing, Communication, Sustainability and Social Responsibility, Change Management, and the Future of Work.

The global concern for Diversity, Equity, and Inclusion (DEI) is also observed among Portuguese companies. However, the maturity levels may vary depending on the company's culture or industry sector. Factors such as changes in employee expectations, regulatory or social pressures, or an understanding of the benefits that DEI can bring to innovation, creativity, and business performance are driving the prominence of this topic. Study participants expressed a positive view of the evolution of DEI indicators in their companies over the past two years (7.9/10), giving significant importance to HR teams in the impact of DEI (7.9/10) on the organisation.

Sustainability and Social Responsibility is also a trending topic, leading some organisations to create autonomous departments to focus on this area. In other companies, this responsibility falls on HR, which makes sense and helps foster a more strategic positioning. Potential candidates are increasingly considering sustainability when choosing future employers, making it essential for companies to adopt responsible practices. Many organisations also emphasise their values and culture, incorporating these aspects into their Employee Value Proposition, enhancing talent attraction and retention. Therefore, incorporating ESG (Environmental, Social and Governance) principles into the HR agenda can be crucial when aligning the company's interests with the expectations of employees and candidates, promoting a sustainable and responsible culture.

“ In the HR team, we had a clear vision of our objective: we wanted to be a transformative force, fully engaged in the business. We built a new structure to ensure a customer-centric (both external and internal) and results-focused approach while enhancing internal efficiency and best practices. We introduced the role of Business Coach, which focuses on building strategic partnerships with the business. We also defined new areas, such as the Future of Work, which seeks to promote the organisation's agility in various dimensions by implementing transformational projects in Agile methodologies and a hub-and-spoke logic. ”

**FIDELIDADE | Joana Queiroz Ribeiro**  
Head of People and Organization





# FOCUS ON EFFICIENCY, EMPOWERED BY DIGITAL TRANSFORMATION

Digital Transformation is not a new topic, but it has become inescapable due to the quick escalation imposed by the pandemic. The numerous advantages have led to permanent changes in Recruitment and Selection processes, Onboarding, Training, and even communication and collaboration models among teams. Furthermore, Artificial Intelligence (AI) further amplifies the benefits (although there are reservations regarding the risks involved, such as privacy, security, legal risks, misinformation, and manipulation, among others). It is gaining traction and more adopters (primarily led by technology companies).

However, adoption barriers, such as technological complexity, a lack of digital skills, a resistant culture, privacy and ethical concerns, and cybersecurity risks, will require companies to adopt gradual strategies on their digitalisation journey.



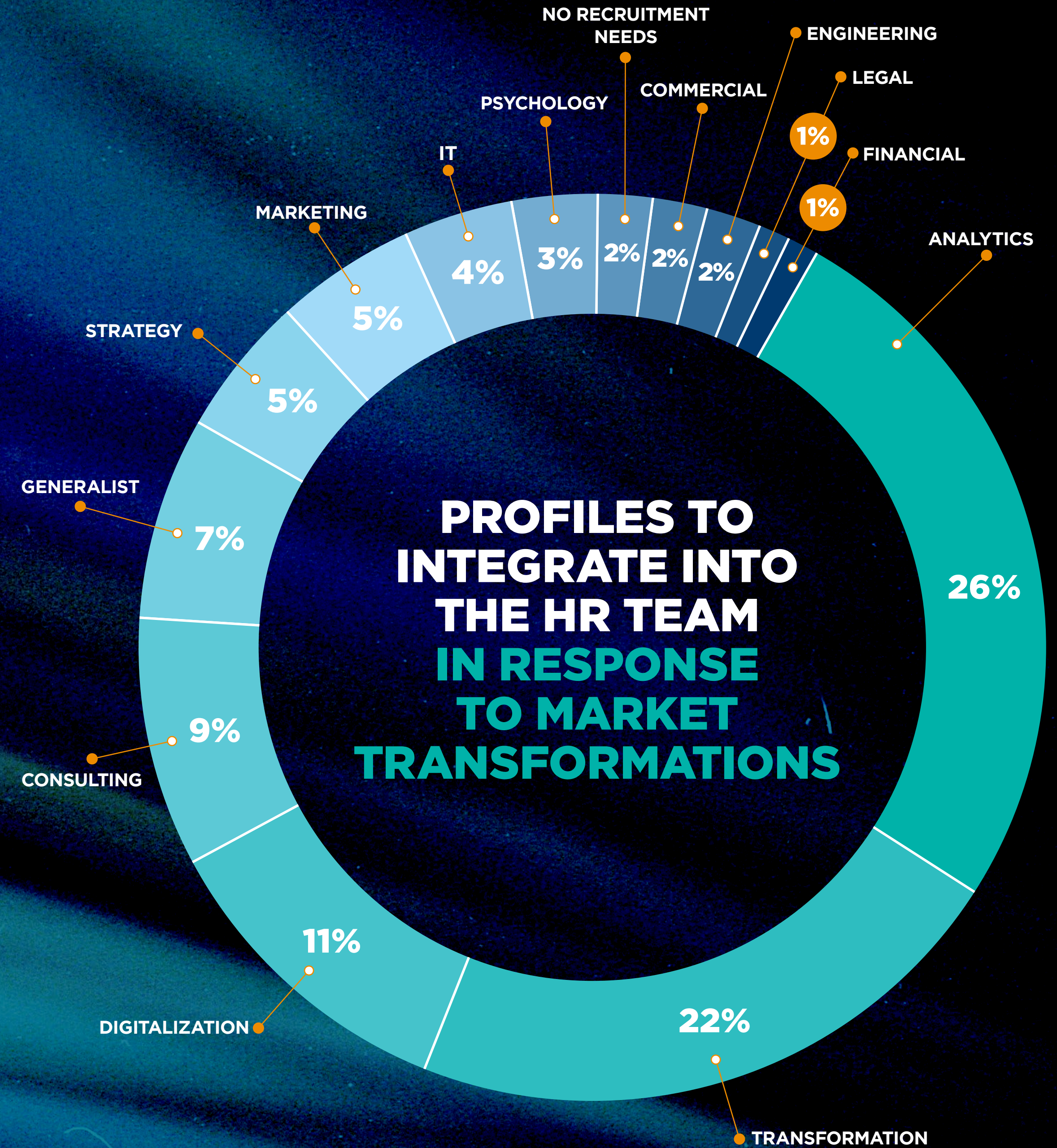
# IV. NEW SKILLS PROFILE FOR HR

The study reveals a significant confidence gap among HR leaders regarding the existing competencies within their team to address future challenges (6.3/10) and the team's potential to assume leadership roles in the future (6.7/10). Therefore, it is imperative to implement significant changes in the profile of HR teams and ensure their resilience so they become relevant players capable of leading transformation.

## Change in Human Resources Profile Types

One of the reasons for this competency gap is the predominance of what is often called "traditional" profiles in HR teams. Currently, the three most common backgrounds found in these teams are HR Management (22%), Management (20%), and Psychology (20%). Internationally, this trend is similar: the background of HR professionals in the top 200 Fortune companies in 2021 was Psychology (22%), followed by Management (19%) and Labour Relations (11%).

However, future expectations indicate a growing need for diversification of profiles. Faced with market transformation, the main profiles that HR leaders anticipate integrating into their teams are analytical profiles (26%), transformation profiles (22%) and digitalisation profiles (11%). Some companies have started this journey, facing the concurrent challenge of developing the value proposition of the HR team itself, which now needs to become appealing to attract professionals from areas not naturally associated with HR. This reflects the emphasis on elevating Human Resources, making them more data-driven, digital, and capable of engaging in strategic discussions, in line with the previous findings.





Another notable challenge is strengthening the business acumen of HR teams, enabling them to challenge and engage in strategic discussions and make decisions collaboratively rather than simply implementing business directives. This ambition is often reflected in the company structure with positions such as HR Business Partners or the existence of internal mobility programs. However, as the study reveals, the mobility of professionals from Business areas towards the HR team is low (6.3/10), and HR mobility to Business areas is even lower (5.9/10). This data indicates a lack of confidence, preparation, and legitimisation of HR profiles to lead business-related topics and master skills such as strategic and business vision, stakeholder management, P&L management, among others.

## Approaches to overcome these Challenges

Given these needs, investing in external recruitment of new profiles is a more agile solution with short-term returns. However, the challenge lies in creating a distinctive proposition to attract these scarce profiles in a highly competitive market. Are HR prepared for this?

To ensure the necessary talent pipeline, HR Leaders consider other options that can help the development of new skills in their teams: transversal projects that involve collaboration between HR and other departments with expertise in data analysis/digitisation, etc.; interdepartmental mentoring, in which colleagues from different departments mentor HR professionals and vice versa; promotion of internal mobility, creating rotation programs for HR profiles with business or other corporate areas; recognising and rewarding employees for active participation in initiatives, projects or learning opportunities that enhance their management skills; partnerships with technology organisations (including educational institutions) to ensure appropriate levels of preparation.



## HR Leaders as Development Agents

With the desired transformation in the field of Human Resources already well underway, upskilling and reskilling become proactive and essential approaches for managing the talent in these teams, alongside the upskilling of other business areas. Globally, many companies are already making substantial investments in improving the skills of their employees. According to estimates from the OECD, in the coming decades, approximately 42% of Portuguese workers will need to update their qualifications or change profession. HR should be at the centre of the requalification process, both as promoters and recipients.

According to our research participants, HR employees are expected to upskill in areas such as data analysis (22%), strategic thinking (21%), digital acumen (10%) and operational transformation (10%).

HR leaders will play a crucial role in this learning journey; from creating opportunities, to ensuring appropriate conditions for employees to participate in these programs, and encouraging professionals to become proactive and take ownership of their development. Unfortunately, HR teams often prioritise the daily pressures of their roles over future proofing (primarily by focusing on "deliverables," as previously noted on this paper).

“Success means adding value, and that entails constantly evolving our mindset and changing some behaviours. Upskilling programs help us instil a development culture in the organisation, involving everyone at all levels of responsibility. At Semapa, empowering our employees is essential to ensure that our teams are always up to date and remain competitive in the market.”

**SEMAPA | Isabel Viegas**  
Chief People Officer





# V. NEW HR LEADER PROFILE

The role of the Chief Human Resources Officer (CHRO) is undergoing a significant transformation. In the past, it was common for HR leaders to specialise in Human Resources management and remain in this field throughout their professional careers. While they might transition and become proficient in various HR areas, such as compensation & benefits, or recruitment and talent development to gain a holistic view of HR, the pursuit of "thinking outside the box" and acquiring knowledge in other areas of the organisation is still in its infancy and is increasingly valued.

Companies recognise the need for HR leader profiles with experience in developing business insight capable of leading transformation or autonomously managing relevant P&L (Profit and Loss). Furthermore, experience in a variety of industries is also considered an advantage. Although these trends are more evident internationally (e.g., Francine Katsoudas at Cisco, Beth Galetti at Amazon, Béatrice Guillaume-Grabisch at Nestlé), they are also gaining momentum in Portugal.

## Skills for Leading Transformation

According to study participants, companies can benefit from HR leaders with proven management skills, by investing in the following competencies:

- **Strategic Thinking (30%):** To anticipate business issues, not just HR issues. Standout HR leaders will offer a comprehensive view of the organisation and understanding of talent management strategies and business strategies synergies.
- **Stakeholder Management (16%):** To ensure the involvement of all stakeholders during organisational transformations, establishing collaborative, rather than adversarial relationships. HR leaders are more likely to succeed when they build strong relationships of mutual influence across the management team, starting with the CEO, CFO, CTO, and COO.
- **Adaptability (13%):** To handle situations of high uncertainty and ambiguity, maintaining a focus on medium and long-term strategies while managing changing factors with flexibility.

## THE MOST VALUED SKILLS IN THE HUMAN RESOURCES DIRECTOR IN THE FUTURE





# CALL TO ACTION

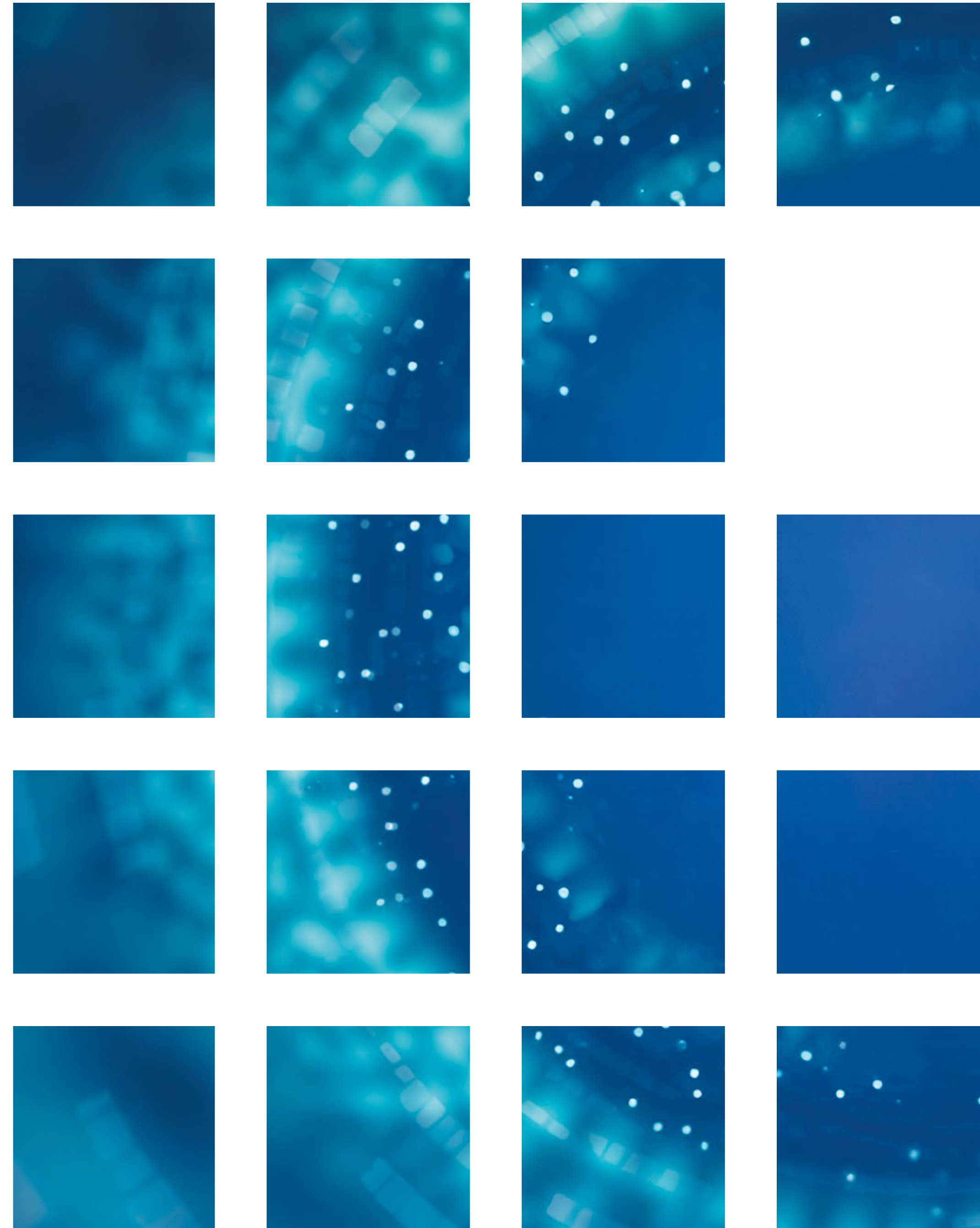
In order to become an influential voice, the Chief Human Resources Officer (CHRO) must bring the perspective of a strategic leader to the HR function. It is essential to have an honest reflection on how prepared we are to address the various strategic priorities and challenges previously discussed. Therefore, a structured development plan aligned with the business requirements should include:

- **Strengthening management knowledge and skills** by combining training and management programs (e.g., executive master's degrees, finance, analytics).
- **Actively engaging in strategic initiatives within the organisation or participating** in forums discussing key areas of the organisation's strategy.
- **Following industry trends and the broader ecosystem** by participating in external events or joining associations and business roundtables. These actions enable the establishment of connections with other business leaders, sharing knowledge, and fortifying social influence and support.
- **Collaborating with business leaders** to ensure talent management becomes a shared responsibility, with business and talent KPIs spanning the management team. This shared responsibility encourages interdependence

- between HR activities and the achievement of the organisation's macro-objectives. Speaking the business' language, understanding, and sharing responsibility for its KPIs will help HR make more strategic and informed decisions.
- **Preparing the HR team for the future** by ensuring a variety of profiles and competencies through upskilling/reskilling or the inclusion of new profiles with solid expertise in analytics, digital, or transformation.
- **Normalising the use of data-driven insights** to support decision-making and demonstrate the impact of HR strategies on business outcomes.

HR executives should be business leaders and bold advisors to senior management. As members of the Executive Committee or the organisation's leadership team, they play a critical role both with shareholders and stakeholders across the organisation.

Lastly, it's worth emphasising that CEOs expect HR leaders to have the same business vision as the rest of the executive team. What are we waiting for?





# HOW CAN ODGERS BERNDTSON HELP?

Odgers Berndtson is a trusted advisor in talent and leadership development, assisting in the enhancement of high-performing organisations. Our holistic approach focuses on aligning the organisation's strategic challenges with the priorities of its leaders.

We recognise the value of leadership and future leaders as one of the most valuable assets for the long-term sustainability of the organisation. We invest in their development, ensuring everything from the evaluation and planning of strategic succession to the ongoing monitoring of leader preparation, including executive coaching programmes and leadership initiatives that enable leaders to act strategically in the “**Anticipate, Inspire** and **Deliver**” triad.

We help design the best organisation to align with the desired strategy, including optimising organisational and operational models, as well as HR teams. We are aware that these teams are undergoing significant transformation, are highly engaged in daily problem-solving and have limited bandwidth to review their own work practices.

We aim to ensure that organisations have not only the best individual talent but also the best teams with the right skills and most effective dynamics. We seek top talent through Executive Search solutions and design leadership development programs or Top Team Effectiveness programs.

We work closely with HR leaders, assisting them in addressing strategic challenges and translating them into pragmatic solutions, such as Talent Strategy policies (strategic workforce planning, talent management, etc.), cultural transformation, and DEI (Diversity, Equity, and Inclusion). We help develop their roles and strategic positioning within their organisations.

In conclusion, Odgers Berndtson is committed to helping clients achieve their strategic objectives at the organisational, team, and leadership levels, driving the success of organisations with talent and leadership development strategies tailored to each stage of their strategic ambition.



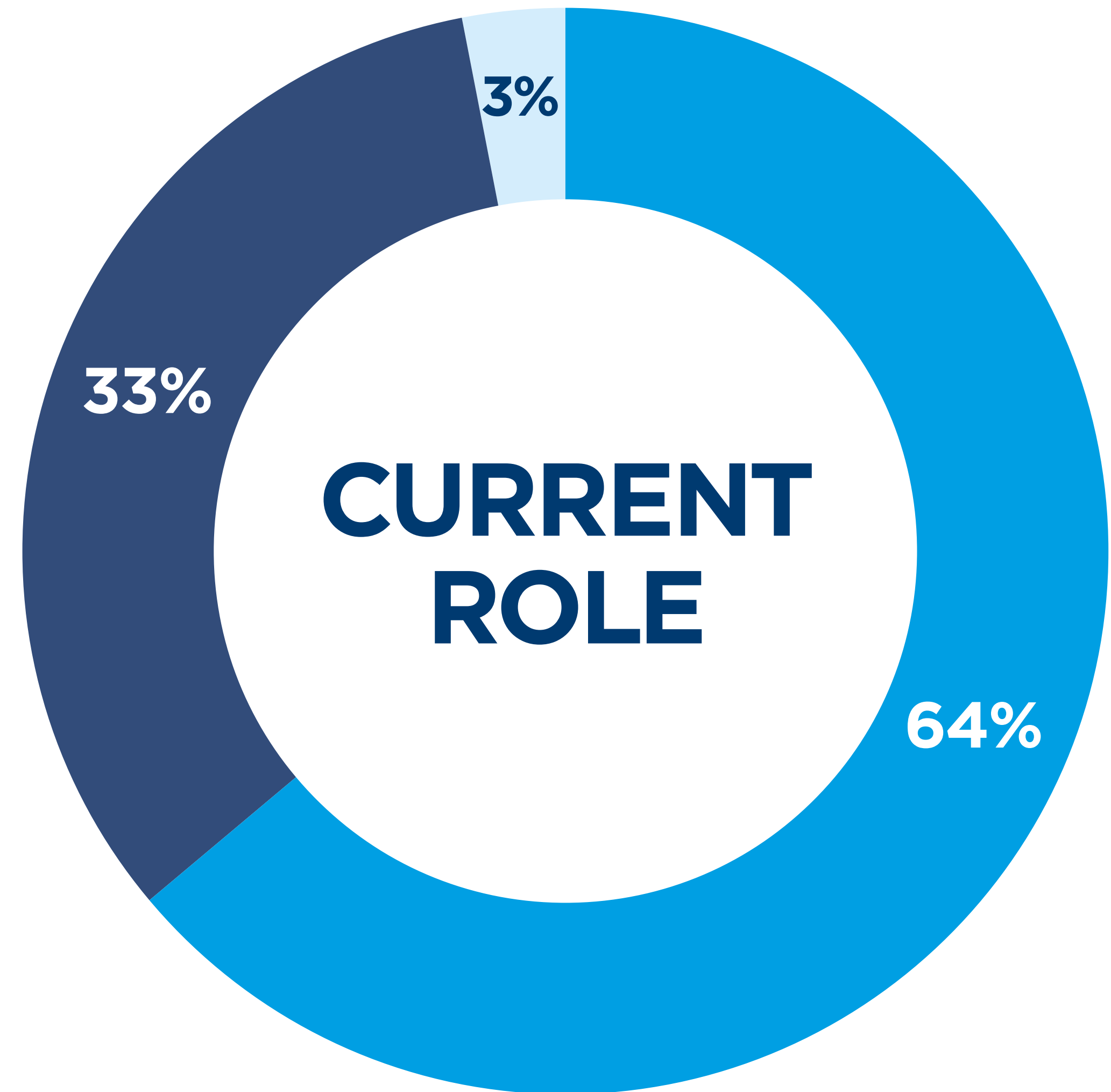


# METHODOLOGY

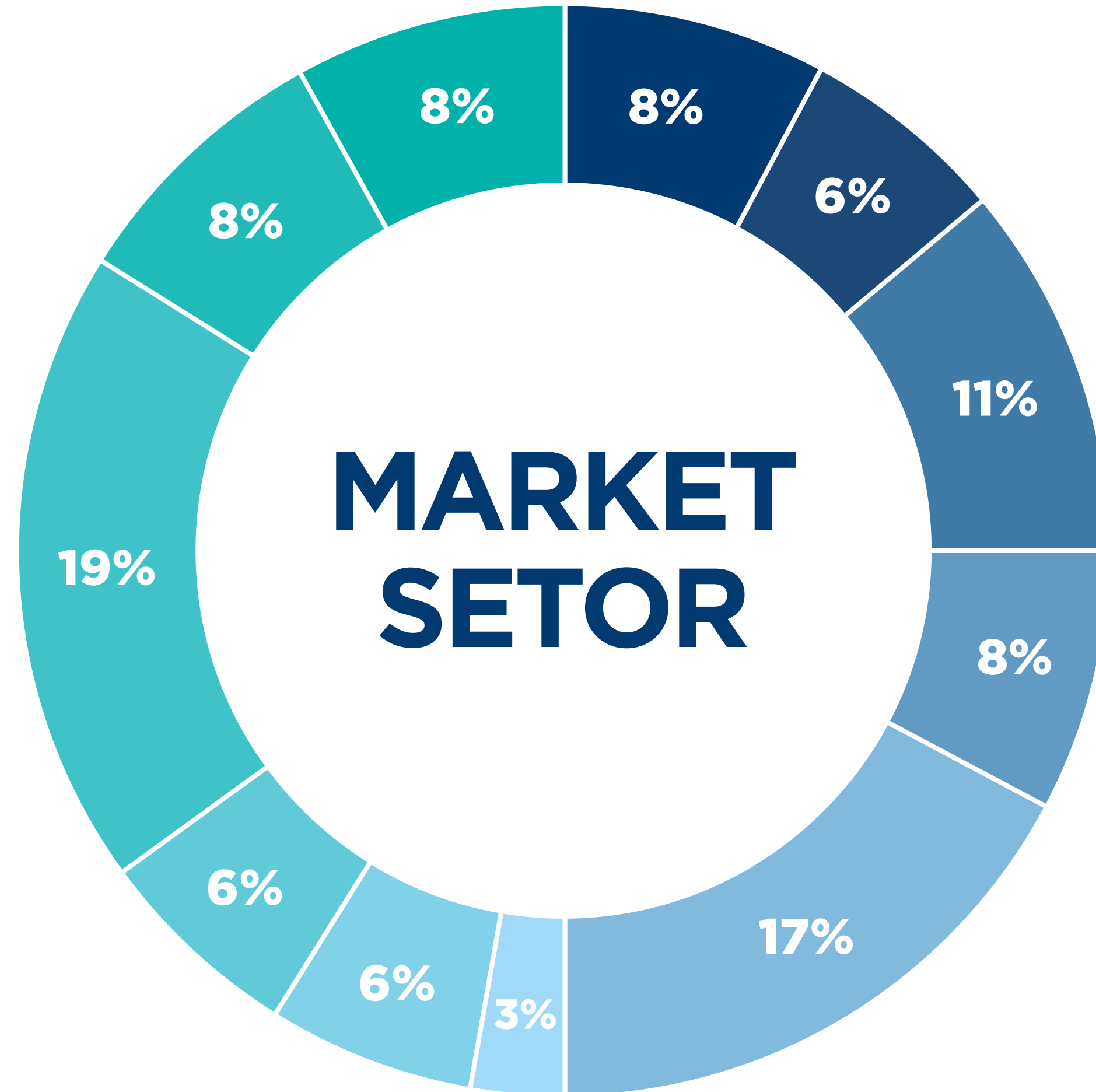
This study, conducted by Odgers Berndtson Portugal, aimed to provide a comprehensive overview of trends in Human Resources, taking into account the reality of Portuguese companies while also monitoring global trends in this field.

To achieve this goal, a methodological approach that combines quantitative and qualitative sources was adopted. Information was gathered through the administration of a questionnaire to HR leaders (CHRO/HRD) of companies in Portugal, along with exploratory interviews with the study participants and Odgers Berndtson's clients. A comprehensive review of international literature from reputable institutions in the subject areas discussed was also conducted, contributing to the foundation of this work.

It's worth noting the extensive experience of the Odgers Berndtson team in organisation, talent, and leadership consulting, which played a crucial role in enriching this study.







- ACTIVITIES RELATED TO HUMAN HEALTH AND SOCIAL SUPPORT
- CONSTRUCTION
- MANUFACTURING INDUSTRIES
- TECHNOLOGY
- FINANCIAL AND INSURANCE ACTIVITIES
- EDUCATION
- MEDIA AND TELECOMMUNICATIONS
- TRANSPORTATION AND STORAGE
- WHOLESALE AND RETAIL TRADE
- ELECTRICITY, GAS AND WATER
- OTHER

Study participants represent companies from more than 10 sectors of activity, with a focus on Commerce and Retail, Financial and Insurance Activities, and Manufacturing Industries. Notably, 78% of respondents work in large enterprises with more than 1000 employees, with a national reach of 58%.



The study was conducted from April to June 2023. The guiding structure of the study was based on four essential pillars: New Strategic Agenda, Governance, Team, and Performance, both at the organisational and HR team levels. In addition to multiple-choice questions, the questionnaire included questions using a scale from 1 to 10, where 10 represented the highest level of agreement with the statement. Consequently, throughout this article, the results of these responses are presented as averages in the format  $x/10$ .

\*Note: some charts may not add up to 100% due to rounding





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**Uruguay**

Montevideo

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**Singapore**

Singapore



