

# Topic Overview: Leadership and Governance of Human Capital Management

For the purposes of our Talent Initiative work, Leadership and Governance of HCM relates to CEOs' and leadership team members' ability to champion human capital management.

Article Citation Author (Last, First Initial), Publisher, Title	Summary	Type
<b>Most helpful</b>		
<p>1. AchieveMission, Board Role in Human Capital Management</p> <p>Available Here: <a href="http://bit.ly/1535r1p">http://bit.ly/1535r1p</a></p>	<p>This illustrative example can be used as a guide for developing human capital management roles and responsibilities for board members. The example recommends that boards actively monitor HCM goals and metrics, as well as develop systems and processes for performing HCM duties. The example outlines eight key HCM responsibilities for board members, the primary being CEO performance management. In this focus area, boards should prioritize establishing annual performance goals, conducting quarterly performance coaching and discussions, developing a performance review process and discussing the performance review with the CEO. The example also describes how to develop a human capital management committee that leads board efforts around HCM.</p>	<p>Illustrative Example</p>
<p>2. AchieveMission, HR Team's Role in Human Capital Management</p> <p>Available Here: <a href="http://bit.ly/19a2MEg">http://bit.ly/19a2MEg</a></p>	<p>This illustrative example can be used as a guide for developing human capital management roles and responsibilities for the HR team. This example recommends that HR staff help transform HCM from a tactical to a strategic capability, by providing support and guidance for leaders and managers in their HCM work. The example outlines eleven key HCM responsibilities for the HR team, the primary being HCM and strategy alignment. In this focus area, the HR team should prioritize providing guidance to the CEO and leadership team in organizational strategy, developing assessments and metrics of HCM systems and processes, and facilitating communication about HCM plans to the board.</p>	<p>Illustrative Example</p>
<p>3. AchieveMission, Managers' Role in Human Capital Management</p>	<p>This illustrative example can be used as a guide for developing human capital management roles and responsibilities for managers. This example recommends that managers shift their view of HCM from a process that is a function of the HR department to a process that guides</p>	<p>Illustrative Example</p>

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<p>Available Here: <a href="http://bit.ly/1aHRrys">http://bit.ly/1aHRrys</a></p>	<p>management and support of staff. The example outlines ten key HCM responsibilities for managers, the primary being performance management. In this focus area, managers should prioritize aligning performance expectations of employees with the organization’s mission through cascading goals and supporting employees to perform through monitoring and assessment, evaluation, training, mentoring and coaching, and rewards and consequences.</p>	
<p>4. AchieveMission, CEO and Leadership Team's Role in Human Capital Management</p> <p>Available Here: <a href="http://bit.ly/19atgH8">http://bit.ly/19atgH8</a></p>	<p>This illustrative example can be used as a guide for developing human capital management roles and responsibilities for the CEO and leadership team. This example recommends that the CEOs and the leadership team shift their view of HCM from a process that is a function of the HR department to a process that is a key priority and central to accomplishing organizational strategy. The example outlines ten key HCM responsibilities for the CEO and Leadership Team, the most primary being HCM and strategy alignment. In this focus area, the CEO and Leadership Team should prioritize aligning HCM strategy to organizational strategy, establishing evaluation and metrics of HCM practices that tie them to mission accomplishment, funding and participating in HCM initiatives, and reporting to the board on the state of HCM.</p>	Illustrative Example
<p>5. Smith, A., Wellins, R., Paese, M., Development Dimensions International, The CEO’s Guide to Talent Management</p> <p>Available Here: <a href="http://bit.ly/19atkXp">http://bit.ly/19atkXp</a></p>	<p>This article for business leaders explains that a company’s business performance depends on its talent management, so the CEO must play an important role in talent strategy and management. The authors discuss several key points that CEOs should note: a CEO’s vocal support and involvement in talent management is key, an organization’s talent strategy draws from its goals and the resources needed to reach those goals, organizations need to identify the most critical roles and develop talent pools for those roles, assessing leadership potential should not be a “gut” decision but should be rooted in data, and distinguishing between performance, potential, and readiness leads to better succession planning.</p>	Best Practice
<b>Further Reading</b>		
<p>6. Stock, D. and Bentley, J., Human Capital Measures for a</p>	<p>In this article, written for board members, the authors argue that boards must take a “strategic, systematic and measured approach” to building a thriving, engaged</p>	Best Practice

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Board's Balanced Scorecard  Available Here: <a href="http://bit.ly/14ZeEx3">http://bit.ly/14ZeEx3</a>	<p>workforce. One way boards can accomplish this goal is by incorporating human capital measures into the board’s balanced scorecard. To this end, the authors suggest that boards monitor four key, strategic workforce questions and adopt two sets of performance metrics: a core set of measures that provide broad oversight, and a supplemental set of measures that provide more in-depth assessment. Included in this reading is an illustrative example of these measures.</p>	
7. Levensaler, L., Bersin, The Role of the Business Leader in Talent Management  Available Here: <a href="http://bit.ly/1aHRDOa">http://bit.ly/1aHRDOa</a>	<p>In this article for organization leaders and HR officers, the author makes a data-driven argument for the importance of leadership focus on talent management and describes two main strategies for making talent management a top priority. First, business leaders must lead the development of talent strategy and champion and participate in talent initiatives. The more actively involved the leader is in talent management, the bigger the impact on the organization. Second, HR practitioners must learn how to become trusted advisors in order to provide talent strategy recommendations and feedback that leaders are receptive to. The article provides specific actions/responsibilities that leaders and HR officers can adopt to forward both of these strategies. Nonprofit leaders must make human capital management a priority to effectively build the team they need to execute strategy.</p> <p>“Talent management” as covered in this article refers to several topics in the AchieveMission Human Capital Management Framework including A-People in A-Roles, some elements of Governance and Planning, as well as Acquire, Build and Reward. This article, though populated with corporate examples, has proven to be highly relevant to nonprofits. AchieveMission clients, and particularly Talent Initiative participants, have found it essential for the organization’s executive leader to make human capital management a top priority in order for changes to human capital practices to be fully adopted.</p>	Best Practice
8. Ryan, K., Harvard Business Review, Gilt Groupe's CEO On Building a Team of A Players	<p>In this article, written for executive leadership, the CEO of Gilt Groupe refers to his own personal experience in building an A team to illustrate that a CEO must prioritize human capital management as a key part of his/her job. He describes several important strategies for building an A</p>	Illustrative Example

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Available Here: <a href="http://bit.ly/18uYmwD">http://bit.ly/18uYmwD</a>	team: first, leaders must be willing to recognize and let go of low-performing employees, particularly if they are managers, since managers greatly influence their reports' performance and view of the company. Second, hiring the right people means going beyond conventional recruiting practices (e.g. seeking references from mutual contacts of prospective employees, calling A players personally during recruitment). Third, A players should be tasked with hiring since they tend to recruit other A players. Finally, compensation should be differentiated to reward employees by performance.	
9. Lamoureux, K., Bersin, Strong Executive Engagement is a Critical Success Factor for Leadership Development  Available Here: <a href="http://bit.ly/1eIHIM">http://bit.ly/1eIHIM</a>	Research has shown that executive engagement is the most critical component for the success of a leadership development strategy; this article, written for senior and HR leaders, outlines several ways executives can become involved. Key strategies include incorporating leadership development into strategic decisions and leading talent initiatives by identifying participants based on leadership potential, guiding training content and participating in or teaching courses. The article also discusses ways for keeping executives engaged even as leadership development strategy changes.	Best Practice
10. Heslop, B., Hilborn, D., Koob, J., Szumyk, R., Mercer, Why HR Governance Matters  Available Here: <a href="http://bit.ly/1dIM9JW">http://bit.ly/1dIM9JW</a>	This article, written for senior leaders and HR leaders, defines effective HR governance and explains how to achieve it. Governance – the role for senior leaders – means making human capital management an organizational priority. Specifically, leaders need to show that they value human capital management by setting and monitoring human capital management strategy and results, holding managers accountable for accomplishing goals in relation to that strategy, and making data-informed human capital management decisions. HCM strategy should be consciously planned, designed, understood, accepted and acted on by stakeholders within and outside of HR, aligned with the organization's strategy, and measurable. The authors say that HR has traditionally been compliance-focused, but in order to meaningfully contribute to the organization's decision-making, HR governance should be intentionally structured and linked to organizational outcomes. Additionally, the article vouches for the value of HR councils in formalizing the link between HR and the organization's strategy, and the	Best Practice

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	authors describe the structure, roles, accountability and factors that contribute to effectiveness for HR councils. HR Councils have been highly effective for dozens of AchieveMission nonprofit clients and are an established element of the Talent Initiative program.	

**Questions for Discussion:**

1. In our organization, how do we best become champions of human capital management?
2. Focusing on the competencies needed to lead human capital management and “walking the talk”, what are the key takeaways from the articles?
3. How do many of the principles (CEO’s guide to Talent Management) fit with our beliefs about effective practice? Do we agree with the principles in these articles?
4. What current actions should our leadership team take to follow through on the principles discussed here?