

HR & TALENT ADVISORY

Developing the Next Generation of CHROs in Higher Education

Highlights From the “Learning to Fly” Study

KINCENTRIC

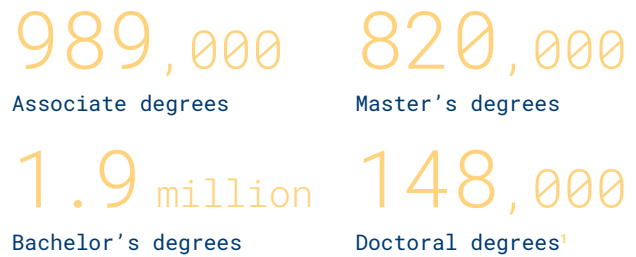
A Spencer Stuart Company

The Higher Education industry is currently in flux and will continue to be so as more Americans pursue college degrees and tuition increases have slowed (see sidebar). With enrollment growth projected to be flat, cost pressure is increasing. At the same time, emerging technologies, such as massively open online courses (MOOCs), continue to influence the industry.

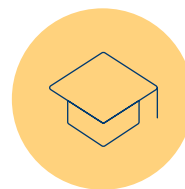
What This Means for CHROs in Higher Education

- HR leaders will have to initiate new programs and update processes that have been in place for years.
- Change management with staff and faculty will become increasingly important as CHROs introduce new systems and seek to increase the inherent utility of their function*.
- HR analytics and technologies will become indispensable as the Higher Education industry starts to become less paper form-based and more technologically enabled.
- Previously, Kincentric (as Aon Hewitt) conducted a study focused on the question, “Is HR developing its own leaders to tackle the challenges of a dynamic corporate environment?” Today, we focus on Higher Education to compare these seemingly disparate yet ultimately similar leaders.

IN THE 2019–2020 ACADEMIC YEAR COLLEGES AND UNIVERSITIES EXPECT TO AWARD:



IN ADDITION, COST PRESSURE IS INCREASING:



Tuition increases have slowed: From 2001–02 through 2012–13, annual increases in published tuition and fees exceeding 5% were common.

Beginning in 2013–14, however, the rate of increase in published prices slowed considerably.²

Enrollment growth rates are projected to be flat: Undergraduate enrollment is projected to increase by 3% (from 16.8 million to 17.2 million students) between 2017 and 2028.²

SCOPE OF THE STUDY:

- 48 CHROs and Heads of HR
- 11–15 years spent as CHRO/Head of HR
- 25–30 years of work experience
- 39% private institutions, 61% public institutions

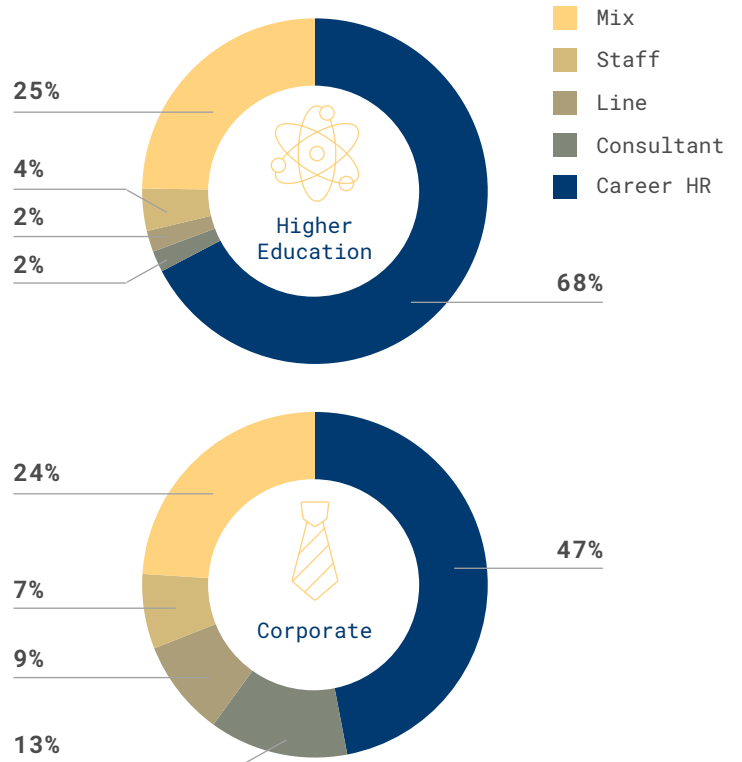
*For the purposes of this study we will be referring to heads of HR in Higher Education as CHROs, although we found various titles for heads of HR, including VP of HR, Senior Director of HR, etc.

1. “Back to school statistics” National Center for Education Statistics, 2019

2. “Undergraduate Enrollment” National Center for Education Statistics, 2019

What Is The Typical Background of a CHRO in Higher Education?

CHROs in Higher Education mainly come from a career in HR, with far less originating from the consulting, line, or staff backgrounds compared to the corporate world. Many of the respondents saw their journey to the CHRO role in Higher Education as one of growth. In fact, nearly half (43%) of our respondents came from outside Higher Education, indicating that there is a steady increase of talent and ideas coming from the corporate world. One CHRO explained, “When I came in, there was a lot of low-hanging fruit. I was able to implement some things quickly.”



What Is the Context?

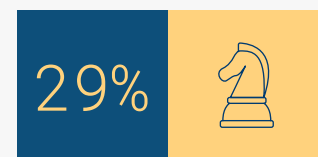
Context is important. For both CHROs in Higher Education and the corporate world, it can make or break new initiatives and fundamentally alter the CHRO’s relationship with the institution. We asked CHROs in Higher Education what context they were currently operating within:

Shown below is the percentage of respondents operating within each context area:

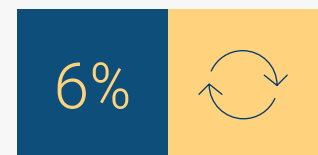
Founders: In this context, the CHRO is trying to establish or re-establish the relevance of HR at the institution. Nearly two-thirds of our Higher Education respondents indicated they were operating within this context. Founders have to pay careful attention to the history of HR at the institution and concentrate on developing relationships. One CHRO shared the wisdom, “I spent a good 6–8 months coming in, learning, and building relationships.”



Directors: HR already has a seat at the table, but those above it in the organizational hierarchy believe it can deliver more value. The CHRO is expected to streamline the HR delivery model and define an overarching strategy. One CHRO shared, “We’re doing strategic planning using stakeholder mapping, getting broad input to look at the performance management process. We’re looking to bring them in as working partners and thought leaders.”



Transformers: These institutions are going through a massive change occurring from organizational events such as a strategic shift, a move to new or untapped markets, or diversification of business. Understandably, CHROs in Higher Education do not experience this as much as the corporate world does, but this does not diminish its impact.



Future CHRO Development

For the purposes of this study, we focused on five major areas of CHRO development. Four of these (Leading Up, Leading Across, Leading the Function, and Leading Externally) are critical external interactions, while the fifth (Leading Self) is an examination of interpersonal and internal dynamics.

Leading Up: In the corporate world, CHROs have two major relationships: that of the board and the CEO. In Higher Education, CHROs typically report to additional and different stakeholders: the Board of Regents/Directors/Trustees, President/Dean/Provost, and Top Financial Leader, leading to many respondents feeling as though their hands are tied. Expectations can be high, as one respondent indicated they were tasked to “Transform the HR department into a proactive and consultative group.”

Leading Across: The CHRO is a position of both trust and influence. In Higher Education, CHROs rank their relationship with the President/Dean/Provost as most important, followed by the Financial Leader, Board of Directors, Head of Technology, and, finally, Head of Administration/Operations.

Leading the Function: 88% of first-time CHROs invested in or revisited their HR strategy. Their top concern was organization effectiveness (86% indicated this as an area of focus), followed

by employee relations/communication (70%), and change management (66%). These results are consistent with the idea that HR is trying to establish its relevance.

Leading Externally: Although they don’t deal with shareholders, CHROs in Higher Education must still keep a pulse on their industry to stay relevant. Our respondents indicated that they interact with other CHROs monthly, and communicate with private-sector organizations and communities monthly. Seventy-five percent also indicated that they were a part of an HR leadership network.

Leading Self: Regardless of industry, strategic thinking is of utmost importance to CHROs. However, in Higher Education, there is far more emphasis on the interpersonal dynamics, evidenced by the fact that CHROs highly rated “building and sustaining relationships,” “influencing others,” and “communicating with impact.” Interestingly, when given Aon’s Adaptive Employee Personality Test (ADEPT-15®), CHROs in Higher Education had the highest scores in Power, Cooperativeness, and Liveliness.



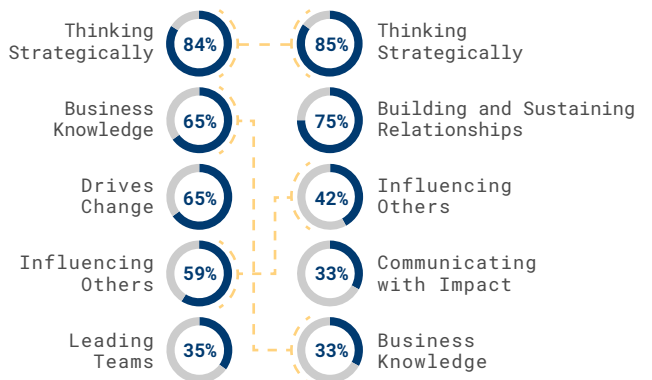
FUNCTIONAL COMPETENCIES

(percentage who ranked this item in the top 5)



BEHAVIORAL COMPETENCIES

(percentage who ranked this item in the top 5)



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Contact us to talk about how we can help.

About Kincentric

Kincentric, a Spencer Stuart company, approaches human capital differently – we help you identify what drives your people, so they can drive your business. Our decades of expertise in culture and engagement, leadership assessment and development, and HR and talent advisory services enable us to help organizations change from the inside. Our global network, proven insights and intuitive technologies give us new ways to help organizations unlock the power of people and teams. For more information, visit kincentric.com.

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