



Laurie Ledford, CHRO, Marsh & McLennan Companies



Strategic CHRO

Conversations with leaders who are transforming the world of HR.

"Decide Where You Want to Put Stakes in the Ground, and Don't Have Dozens"

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***Laurie Ledford**, the chief human resources officer of Marsh & McLennan Companies, shared smart insights about*

prioritization, team-building and why companies should worry less about turnover in their employee ranks.

Q. How did you get into the field of HR?

A. My mother owned a children's clothing store, and I worked there as a child. I can wrap a box and make a bow like nobody's business. So business was in my DNA from a really early age, and when I went to college, I knew I was going to be a business major. I stumbled into an information session about human resources. I didn't know what it was, but the idea of people and systems really appealed to me. I graduated with a business degree but with an emphasis in HR.

Q. What are the top one or two pieces of advice you would offer to new CHROs?

A. Pick your team first. Make sure you have the right people in the right seats who are aligned with the vision and strategy. And don't wait too long, which is a mistake that many leaders, including myself in earlier roles, have made. So get your team in place because you can't do it by yourself. Use the network. You're not an island doing this all alone. You're not going to have all the answers.

Second, decide where you want to put your stakes in the ground, and don't have dozens of them. Really pick your spots that are in line with the organization and make those be your signature. That's the underpinning of it all, which is to understand what the business is trying to accomplish and what are the best things to drive those

outcomes. If you try to manage it that way, it becomes more doable.

Q. Can you give me an example of where you've decided to put a stake in the ground?

A. We should stop putting so much emphasis on turnover, particularly when you think about how millennials are often described as not having any loyalty. What about the idea that we have you for whatever period we have you and you have us? Everyone should embrace that, and make the best of it together. If you decide you need to venture off to go see what the world is like, I hope you come back. That's a better approach than being so precious and stingy about talent.

"We should stop putting so much emphasis on turnover."

A strong culture is key. We do look for patterns and trends in our engagement scores. And one of the ways we measure culture – and we focus on this hyper-vigilantly – is this notion of people feeling that they can say what's on their minds and contribute their ideas. We're a company that's all about solutions and people have to feel that they can say what they think and share ideas and observations and question the status quo.

Q. When you say you focus on culture hyper-vigilantly, how do you think about the CEO's role shaping the culture to keep up with the strategic transformations?

A. It's easy to get really comfortable with the success you have and the team that you have in place, but you have to constantly agitate and question things. It's part of the CEO's job to be the Chief Annoyed Officer of the company.

If you're the recipient of one of his or her annoyances, you don't love it, but on the other hand, it makes you better. And so it starts with a CEO who's never 100 percent satisfied. I've seen some leaders who over-rotated to being too much of a cheerleader, and they weren't realistic. People are smart, and they recognize that the company has a mixed bag of successes and stumbles.

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As the CEO, you've got to be the honest broker. You have to be direct, and if the organization isn't challenged in a positive way, then it's tough for leaders in the middle to take up that gauntlet if they don't see it happening at the top. So part of the CEO's job is just never being satisfied. If we all live in la-la land, then we're going to meet the fate of too many organizations that didn't see change coming.

Q. Aside from your good line about being the “chief annoyed officer,” what do you think is the X-factor that matters most for CEOs across corporate America?

A. It's really situational, but I would say adaptability. Some CEOs are right for a certain period of a company's history, but not right for others. It's pretty rare that you're going to hire a CEO who's going to be in the role for 15 or 20 years. Even ten years is quite a feat. But if you want a long runway with your CEO, then you have to look for someone who has been able to adapt and transform themselves along with the businesses they lead.

Q. Let's shift to you personally. What were some early influences for you?

A. I grew up in a really small steel town outside of Pittsburgh, and my parents divorced when my twin sister and I were eight. My parents made it as difficult as it could be with their anger toward each other, so that was hard. My dad worked for a steel company his entire career – not in the mill, but in the office. He had a lot of demons in his life, and he never liked his job.

On the one hand, he had a lot of grit and perseverance as he provided for his family. But he was profoundly unhappy and it showed up in in certain behaviors, including alcoholism. I admired my father tremendously for his values, yet he had his dark side.

My mother's store was tiny. I remember being with her in the store in the summer, and nobody would come in – she wouldn't sell anything. Many years later, I asked her how she put food on the table, and she said it was really hard. Seeing both of their struggles to make a better life made a huge impression on me.

Q. That's a lot of adversity to grow up with, and yet you seem like an optimistic person.

A. I really feel for children of divorced parents who secretly long for their parents to get back together. Even at that young age, my sister and I were relieved. We just knew they didn't belong together and it was all okay. But the lesson I learned at some point is that you can be upset about something for some period of time, but then you have to let it go.

That's true in business, too. There are things that always go wrong, and if we dwell on them, then it's just going to start this negative spiral. Instead, you should say, I didn't like it, I don't want to repeat it, but what did I learn? And then let it go. Symbolically, you have to put it in a box, put a bow on it and chuck it out the window.