

Simon Linares



**Strategic CHRO** Conversations with leaders who are transforming the world of HR.

## "The Danger In Trying To Do Everything Is That You Won't Really Have An Impact."

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**Simon Linares**, a veteran HR director with companies such as the Direct Line Insurance Group, ITV and Telefonica Digital, shared smart insights with me about the importance of focus and the best way to frame conversations about culture.

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

A. It was in 1993, and I had been in sales for about 12 years. I had 300 people reporting to me. We were successful, but having a bigger target and more people wasn't what was going to drive me. It was watching my direct reports progress and get promoted. So I asked myself, "How can I do more of that and less of the other thing?"

Diageo, which was United Distillers at the time, was looking for someone to run their European sales training function and preferably someone with languages, and I had Spanish as a first language. I got that job, and from sales training I was able to move into management development and then into the HR function.

#### Q. What is it about the field that continues to hold your interest?

A. The most fascinating thing about HR for me is that you get to look across the entire organization, from top to bottom. And you get to be involved in any aspect of the strategy because, if you're in the right organization, you're seen as an enabler to help deliver that strategy. It's the breadth of agendas and people that you can work with at any given moment on any given day.

## Q. Given that breadth, what framework and structure do you create for yourself to do the job?

A. It's about having a people strategy that works back from the business strategy and enables you to say, "These are the things we're going to do, and these are the things that are going to make the biggest difference and the biggest impact to the business." The hardest is to say, "These are the things we are not going to do. It doesn't mean we never will, but in the next two or three years they are not the things that we're going to focus on." There's a natural tendency to try and do everything, and the danger in trying to do everything is that you won't really have an impact.

# Q. What are the biggest lessons you've learned from almost two decades of being a CHRO?

A. There's no substitute for having a great team. When I've struggled, it's because I've had parts of my team that weren't great. And where I've been in the shining light, it's because I've had a great team who do great things. No matter how many times you get hired for your experience, having a great team is what ultimately makes you successful over three or four years.

### Q. Let's talk about the board and the CHRO's role with the board. What should that look like?

A. The expectation of the CHRO is starting to move much more closely to being the same as the CFO's on board agendas. The chairman doesn't want to be asked about gender pay gaps and not be able to answer. Succession planning is something that investors are looking at closely.

ESG is now a reason that investors will not invest in you, and that will impact your share price. The CHRO should feel as accountable for doing everything that's required around culture and leadership as the CFO does around finances.

# Q. What dashboard do you use to get a sense of the cultural health of a company?

A. When I joined the company, there were lots of conversations about the culture. Some people thought we had a great culture, and some people thought we had a terrible culture. One of them would be talking about whether we're consumer-centric. One of them would be talking about whether we take diversity and inclusion seriously. The problem with using the word "culture" is that we never got into real issues.

### "The problem with using the word 'culture' is that we never got into real issues."

At the executive-committee meetings, we just said, "Can we just not use the word culture? If anyone's about to use the word culture, describe what you mean. And then let's have a conversation about that." If you go to the next level in terms of detail, it becomes much easier to do something.

#### Q. What do you see as the CHRO's role on the executive team?

A. You probably have more than three roles. One is being the functional leader for the HR agenda. The second is being a member of the executive team and therefore a business leader. The third thing is to partner with the CEO and be looking 12 to 24 months out and saying, for instance, "What does this executive team need? What does this business need? What are things we're trying to shift?"

## Q. How do you interview a CEO to find out if they are the kind of person you can work with and want to work with?

A. I'd ask the second-order and third-order questions to get beyond the obvious answers. What exactly do you want to be different about the company a year from now and two years from now? What are you prepared to accept as a consequence of trying to make that change? I'd ask those kinds of detailed questions to really test what specifically they mean and how committed they are to doing what it's going to take to deliver on their goals.

It's also about asking, "What are you finding difficult? What are the things you want me to do with you that are not going to be comfortable, but you want me to do them because they're going to be helpful to you?" And if they're not giving you the right answers, the relationship isn't going to be right.

### Q. Part of a CHRO's responsibility is overseeing leadership development and the leadership pipeline. What are the X-factors that separate the truly high-potentials from everybody else?

A. We did a bit of research on the graduates of our three-year-program for people just out of university. Overall the group was very successful and the business loved them, but in that group there were a small number who everybody rated as really exceptional.

We were trying to understand what made them exceptional, because we wanted to look for more people like them. They were bright, because you didn't take anybody into the program who wasn't, but they weren't the brightest. They didn't come from the best universities.

There were two things they all had in common. One was that when the requirements and expectations of them changed, they could adapt really quickly to it. They didn't sit and whine. They didn't struggle with it. They went, "Okay, that's what we now need to do," and they could deal with ambiguity and change really quickly. The second thing was they had the widest range of network of relationships, well beyond their job, so they knew how to build relationships and collaborate.

## Q. I'd like to shift the focus to you personally. Can you give me a sense of your early influences?

A. I grew up in Central London. I left school at 16 and went to work for a bank. My parents came over here from Spain with what they could carry, and they really instilled in me a belief that your past doesn't define your future and that you can achieve whatever you want to if you work hard. That certainly has driven me, and a lot of my purpose is around a belief that everybody should have the choices that allow them to live their life to the fullest.

### "If you recognize that you have choices, you're in control."

A lot of my coaching and counseling at work is with people who feel that they have to do something and they're not happy about it, and then being able to get them to a place where they see that they have choices, including leaving. Leaving is a choice. Then if you recognize that you have choices, you're in control, because you then make a choice rather than having something done to you, and you're more likely to be successful and fulfilled.