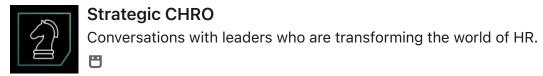
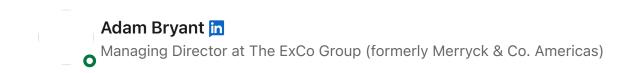


Ernest W. Marshall Jr.



"We Have To Do Succession Planning With A Much More Holistic Framework"

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Eaton, shared his key leadership lessons with me and my colleague, **David Reimer**, CEO of **The ExCo Group**, in the latest installment of our **Strategic CHRO interview series**.

Reimer: How did you get into the HR field?

Marshall: I wanted to be a judge my whole life. I grew up in a single-parent family and I saw and experienced a lot of injustices. I remember coming home from school one day when I was about 12 years old, and I saw someone driving off in my mother's car.

So I ran into the house and said, "Mom, someone's stealing your car!" It had been repossessed, and she was in tears. When you have experiences like this and feel helpless as a result, you either become a victim or you find the courage to fight back.

That started me thinking about justice and due process. I didn't know those words then, but the ideas were important to me. I viewed the legal arena as a place to bring justice and due process to life. After majoring in accounting, I fulfilled my dream and went to law school and also got an MBA. I was recruited by GE to join their HR leadership program, and really never looked back.

Bryant: How do you think about the intense focus in the last year on racial injustice, given your position as CHRO?

Marshall: A bit of context before I get to the answer: We have a Black CEO, a Black general counsel, and another Black member of the

executive team. So when you think about what happened last year and how you respond, there are two kinds of consciousnesses that have to be thought through when you're sitting in the seat, because I'm Black.

This is a lifelong learning. You build some tremendous skills and street smarts but it's exhausting at the same time. I have to be inclusive in my messaging while knowing in my subconscious mind that my audience may not be so inclined.

So when you're trying to explain to the organization what it means and why it's important to take a position and why we all have to act and be a part of the solution, it's very personal because that could have been me. In many ways that has been me.

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I've experienced certain things that continue to make me very nervous in certain situations, and you have to have those conversations with your kids. Our CEO, Craig Arnold, wrote a marvelous note in which he shared his feelings, what he grew up seeing, and what we all need to do to be a part of the solution. There has to be a much higher level of personal activism — not great slogans and polished PR statements but conversations that root out stereotypes and perspectives that really drive change.

These issues are now part of the enhanced focus on ESG [environmental, social and governance], particularly the social aspect. Not only are employees and investors and analysts looking at the quality of earnings, they're also looking at the quality of a company's citizenship.

People want to join a company that has important standards and principles, so that they know what you stand for. What a company stands for are not mere words but actions that prove to the workforce that inclusion and diversity are not only important but necessary.

Reimer: How has that affected the qualities you're prioritizing as you develop your future leaders?

Marshall: I created a five-year outlook for succession that I share with the board. It shows the people who might retire or need a new role, but it also looks at what we are dealing with in the world now and the challenges we might face in the future. I want the board to always be thinking about the fact that the candidate you think you need today may be totally different from the candidate you need several years from now. We have to do succession planning with a much more holistic framework.

One of the qualities that we're focusing on reflects the rate of change in the world. How comfortable are people working through disruption? None of us would have ever imagined a pandemic, or the social unrest on top of that. How good are these leaders at navigating these periods?

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Another is based on an old adage that people always want to do the job until they get the job, because in these top roles, there are a thousand things that you don't know about that are happening behind the scenes. So how do people work through those transitions? Are they able to get the organization fired up and really mobilized around a vision or strategy? And going back to the point about citizenship that I made earlier, are they a good person and do they understand the importance vulnerability?

The last one is exceptionally important — how do they personally develop, assess, and hire talent? I see too many people who want to hire people just like them. You need to build a leadership team around you who can amplify your skills, because they can bridge a gap that you might have, and you can amplify theirs.

Reimer: Going back to the first one you mentioned — comfort with change and the ability to be agile — how do you assess for that?

Marshall: We are living through case studies right now, and the key thing is to be watching for them. We're seeing how people have reacted to certain situations. And when you're looking for it, it's easy to build a library. We saw some people really step up in the pandemic. We've had leaders who participated in Black Lives Matter in a variety of ways.

The point is to capture that information. And if you do that enough, you start to get a flavor for how people respond in certain situations. Do they step up and go after it, or do they sit back and let things happen?

Sometimes people will say those qualities are hard to gauge. But it's only hard to gauge if you're not looking for it. If you are looking for it, there are so many transition moments that happen in organizations. Then you balance those moments against the characteristics you're looking for to help inform the full-blown assessments that we do of our leaders.

Bryant: Your executive team is unusually diverse. How did that come about?

Marshall: It started with the board and the CEO. Craig's done a marvelous job since I've been here of ensuring that the board was diverse — it's over 60 percent diverse now. Our leadership team is over 50 percent diverse. As we've hired, we were intentional around ensuring that we were able to maintain that level of diversity.

Earlier in my career, I analyzed organization charts throughout the company as a part of a diversity initiative at the time. Everywhere there was a diverse leader, the team was generally 40 percent diverse or more. Everywhere that there wasn't a diverse leader, it was generally in the 10 to 15 percent range. And research shows that there's incredible value in having diverse teams that bring different experiences, ideas and perspectives. This truly allows organizations to flourish.

Diversity is a fact, and inclusion is a choice.

Even with all we've done, there's a lot of work still to do to drive diversity in the organization. It can't just happen in pockets of the company. So one of my priorities is to really be focused and intentional about diversifying the organization as much as we can, and with that comes being inclusive. They run in tandem. We specifically talk about I&D versus D&I because diversity is a fact, and inclusion is a choice. So we really want leaders to make the choice to be inclusive in everything they do.

Bryant: What were some other early influences that really made you who you are today?

Marshall: At the core of what's important to me is helping people, and being a good person. My grandfather was an incredible influence. He was wise beyond measure but had only an eighth-grade education. He always told me, "When faced with difficult situations, always ask yourself, what would a good person do? Then do that." There were a number of people like my grandfather who were instrumental in my life and really propelled me forward.

I do some work with a group called **Kindway**. We help incarcerated people who are about to get out get ready for life outside of prison. I look back at my life and there were one or two situations where that could have been me. So I don't take life for granted; I don't take people

for granted.

That's why I love this profession. I could have done a lot of different things. But when you help somebody, and show them the importance of sending the elevator back down to pull somebody else up, that just gives me gratification beyond measure.

Reimer: It sounds like you've had some challenging moments in your life that could easily have left you bitter.

Marshall: I go back to my grandfather. He fought in a war and came back to a world that treated him worse than the people overseas. But he always had this spirit about trying to help people because bitterness would never find the path to love and reconciliation.

He said that when you are bitter and pull yourself back from situations where you could be helpful, then other person doesn't lose, you lose. So be a part of helping society. I always say that when you deal with people, set a positive tone for them because you have no idea what they might have faced that day. The reality is none of us look like our stories. My story is built on hope and a belief that we can all be better.

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