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Prioritize Internal Stakeholders: Insights From Diana Sorfleet, CAO at CSX | Strategic CHRO

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<u>Diana Sorfleet</u>, Chief Administrative Officer at <u>CSX</u>, shares her insights on the importance of prioritizing internal stakeholders, listening and appreciating frontline workers, and closing the skill gap for critical jobs with <u>David Reimer</u> and <u>Adam Bryant</u> in this <u>Strategic CHRO</u> interview.

Reimer: What is a big HR issue on the horizon for you?

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Sorfleet: There are a lot of conversations right now about Al and data, but one issue that keeps resonating for me is the **skill gap** we have in many jobs that are the foundations of our economy—teachers, plumbers, EMTs, railroad engineers, even military service.

How do you get young people interested in these critical jobs? And then how do we retain them? We spend so much time talking about tech jobs and with good reason, but we're going to be struggling with filling these other roles that are so important for a long time.

Bryant: So what do we do about it?

Sorfleet: Corporations have to work with communities, educators, and business partners to help fill these talent gaps. When I talk to educators, many of them still focus on tech or STEM. All those are important, but then I'll ask, "What are we doing with trade schools or community colleges?" It's almost like that question is left behind. As companies, we have to engage more in the entire **talent pipeline** and shift the lens a bit with our community and education partners.

Reimer: How did early influences in your life shape how you approach this very dynamic environment of the last few years?

Sorfleet: My parents were immigrants from Lithuania. They came to the United States with their parents and found this Lithuanian community in Chicago. From a young age, they expected a lot from me and my siblings. They would say, "If we survived what we had to survive, you have no excuses." But they also let us explore and make mistakes.

My dad owned a bakery. My mother was in education. I saw highs and lows financially, depending on the business. We were eating macaroni and cheese one week and steak the next. My mom always worked in schools that didn't have many resources. I saw her spend her money to ensure kids got what they needed, including food. I always saw them trying their best to do what's right for others.

Because we lived in a close-knit Lithuanian community, I didn't have to speak English when I was young. So, first grade was the first time I had to speak English. I made so many mistakes and was mad at my parents for putting me in that situation. But then I had this fighting spirit to say, "I'm going to overcome this. I'm going to focus, and I'm going to make so many friends." It inspired me to work harder.

Bryant: You talked earlier about the importance of frontline workers. How do they factor into your thinking about how to build alignment in a company?

Sorfleet: It's about showing appreciation for people and letting them know their jobs are important. I will go out into the field, talk to people, ask them, "What's going on?" and then just listen. I've had so many people say to me, "Diana, I have never had anyone in your position just sit down and talk to me over my entire career."

We underestimate that listening and appreciation piece. As people move up in their careers, they spend a lot of time looking up and managing up. But as leaders, our job is to focus down through the organization and help remove barriers and pain points for everyone else.

Reimer: What advice would you share with first-time CEOs?

Sorfleet: As a **CEO**, you have so many stakeholders, but you must prioritize your internal stakeholders and get a sense of the **culture** internally first to know where to go next. And then, how do you prioritize all the other stakeholders? It depends on

the company's particular challenge when you take over. If the company is not performing and investors are upset, you must pay close attention to those stakeholders early on and then develop a plan to engage the other stakeholders.

That's better than focusing on everybody at once or ignoring everybody. I've seen it done both ways at various points in my career. Some leaders want to issue orders. And I've seen others focus too long on only one stakeholder. You must bring the others in at some point, but the key is finding the right balance by assessing and prioritizing your stakeholder relationships.

Bryant: When you are mentoring and coaching people, what are some common themes that come up?

Sorfleet: **Courage** is a big one, especially around having difficult conversations with colleagues. They may feel frustrated by the other person, but they need to focus on what they can do to help themselves.

Another one is about wanting to know the checklist, the playbook, for getting promoted. They may think, "Well, I've done that job," but then I will ask, "Okay, but what did you learn in that job? What did you actually accomplish?"

Reimer: Is there a story that really stands out for you as a pivotal moment in your evolution as a leader?

Sorfleet: When I was 19 years old, I would cover for my dad's drivers who were on vacation in the summer. So, I would get up at 4:00 in the morning to deliver bread. My dad told me, "I'd like to help a family friend. How about we hire her son?" This kid was about 6'4" and a football player. I thought, "This is great. This is going to be so easy for him. He just has to drive the route, deliver bread, and talk to people inside the store."

I trained him for about a week. He would just sit in the truck the first four days, doing nothing. I told him, "Tomorrow is it. I'm going to watch you." But then, the next day, he kept making excuses about why he couldn't do anything. So I made the deliveries and then told him, "Here's some money. Go call your mom to pick you up. You're done." I fired him.

The rest of the morning, I was having a heart attack because I thought my dad was going to kill me because I had just fired his friend's kid. So, I finished the route and went up to my dad's office. I told him what I did, and he gave me this look. Then he said, "Come here." He stood up, gave me a high five, and said, "I'm so proud of you. You showed you have standards. You have courage."

This interview with <u>Diana Sorfleet</u>, Chief Administrative Officer at <u>CSX</u>, on the importance of prioritizing internal stakeholders, closing the skill gap for critical jobs, and other leadership insights is part of our <u>Strategic</u> interview series featuring conversations with transformative HR leaders. <u>Join the conversation on LinkedIn.</u>