C-TEN
CHRO Today Executive Network
Advice | Support | Best Practices

C-TEN Executive Summary
Meeting Title: What's Your HR Strategy?
Meeting Date: July 2026

Overview

This C-TEN discussion examined a fundamental shift in how organizations approach strategy—and the resulting implications for HR. Unlike traditional models built on stable, long-term business strategies, organizations today are operating in environments defined by continuous change, rapid pivots, and uncertain direction.

A central tension emerged: CEOs are increasingly demanding agility without a clear or enduring strategy, while HR functions are not structurally equipped to support constant transformation at speed. This creates a growing gap between business expectations and organizational capability.

The conversation highlighted that HR's role is evolving from aligning talent to strategy toward enabling adaptability, guiding strategic decision-making, and helping leaders understand the true cost, time, and human impact of change. However, this evolution requires HR to become more embedded in business strategy, particularly in areas like M&A, workforce planning, and change management.

Key Insights

1. Stable Business Strategy Is Eroding

- Organizations are shifting away from long-term, clearly defined strategies toward continuous repositioning.
- Frequent pivots make traditional HR alignment models difficult to sustain.

2. Agility Is Expected—but Not Operationalized

- Nearly all organizations recognize the need for agility, but few feel capable of delivering it.
- Legacy systems, structures, and talent models limit responsiveness.

3. HR Risks Becoming Commoditized

- When HR is excluded from strategy development, it is reduced to execution rather than partnership.
- Lack of early involvement weakens organizational effectiveness during pivots.

4. Pivoting Is More Complex Than Leaders Assume

- External stakeholders (boards, analysts) often underestimate the time and cost required to shift capabilities.
- Rapid restructuring (e.g., layoffs and rehiring) is impractical and destabilizing.

5. Change Fatigue Is a Growing Constraint

• Employees’ willingness to embrace change is declining.
• Repeated transformations without recovery time are increasing burnout and resistance.

6. Organizational Size Impacts Agility

• Large organizations struggle to pivot due to scale and complexity.
• Smaller organizations can move faster but still face cultural and operational challenges.

7. Capability Must Inform Strategy

• Effective pivots depend on a clear understanding of existing talent and organizational strengths.
• Strategy developed in isolation from HR leads to misalignment and execution risk.

8. Alternative Operating Models Are Emerging

• Some organizations are experimenting with modular or “micro–business unit” structures to enable faster pivots.
• These models allow for growth and contraction without destabilizing the entire organization.

Solutions & Best Practices Highlighted

1. Embed HR in Strategy Development

• Ensure HR is a core partner in shaping—not just executing—business strategy.
• Align strategy with actual organizational capabilities.

2. Lead with Change Management Discipline

• Reinforce clear communication, purpose (“why”), and aligned incentives.
• Cascade goals, metrics, and rewards to support behavioral change.

3. Quantify the Cost of Agility

• Clearly articulate the time, cost, and trade-offs of different transformation approaches.
• Enable informed decision-making at the executive level.

4. Strengthen CEO–CHRO Partnership

• Build alignment on workforce capabilities before strategic pivots occur.
• Maintain ongoing dialogue beyond individual transformation efforts.

5. Support M&A and Strategic Growth Initiatives

• Position HR as a key contributor in due diligence, integration, and capability building.
• Engage where strategic decisions are actively being made.

6. Explore Flexible Organizational Models

• Consider modular team or business unit structures to isolate risk and increase adaptability.
• Allow for faster scaling up or down without widespread disruption.

7. Address Change Fatigue Proactively

• Recognize limits to employee adaptability.
• Balance transformation speed with sustainability.

Member Reflections

• "We don't have a strategy anymore—we have a need to pivot."
• HR is often brought in too late to influence strategic direction.
• Change fatigue is real and impacting employee engagement.
• Communication, incentives, and clarity are critical to successful pivots.
• Leaders may overestimate the organization's ability to quickly shift capabilities.
• Organizational size significantly impacts speed and effectiveness of change.
• There is often "raging optimism" about entering new markets without sufficient capability.

Next Steps / Takeaways

• Reposition HR as a strategic partner in business planning and decision-making.
• Increase focus on organizational capability as a constraint in strategy development.
• Proactively quantify and communicate the cost of rapid pivots.
• Invest in change management and communication as core capabilities.
• Strengthen CEO–CHRO alignment on workforce strategy.
• Explore more flexible and modular organizational structures.
• Engage leadership in longer-term conversations about sustainable agility—not just immediate pivots.