McLEAN & COMPANY

Transforming the Role of People Leaders

Forge a new path for people leaders that is human-centric and future-ready and taps into the full potential of leadership.

McLean & Company is a research and advisory firm that provides practical solutions to human resources challenges with executable research, tools, and advice that will have a clear and measurable impact on your business.

Research overview

Description

People are a key differentiator in organizational success – and they thrive under strong, aligned leadership. Yet many leaders find themselves stretched thin, navigating competing demands and unclear expectations in an increasingly complex environment. This research explores the current realities of the role of people leaders, uncovers how to prepare people leaders for the future, and outlines opportunities to reimagine the systems, definitions, and practices that shape the role.

This research challenges HR leaders to critically examine the role of people leaders and identify opportunities to chart a path forward that isn't about doing more but about doing what matters most.

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The demands on people leaders have reached a breaking point

Team management once defined the role of people leaders. Today, it is one of many critical responsibilities.

McLean & Company defines a people leader* as one who connects strategy to human experience, driving results while supporting teams through complexity and change.

The challenge is that the role of people leaders has become impossibly tangled. From strategic planning and operational responsibilities to emotional support and performance management, the expectations placed on people leaders have multiplied exponentially (Harvard Business Publishing). The constant stream of competing demands and unclear priorities creates overwhelming complexity, making it hard for people leaders to discern what truly matters.

The result? A role that has been stretched beyond reason – not by lack of capability, but by sheer volume and complexity of expectations that have extended what it means to be a people leader well beyond what is included in the job description. As demonstrated by the word cloud (right) created from primary and secondary research, instead of being empowered to lead, people leaders are left navigating a maze of competing demands, often at the cost of organizational impact and personal wellbeing.

Note: * indicates a term and definition included in Appendix I: Glossary.

The reality behind the title "people leader":

Thriving people leaders elevate teams, strengthen culture, and deliver results

When people leaders are equipped and supported to focus on what matters most, the ripple effect within the organization is powerful.

Productivity and performance: When people leaders have clear expectations and feel supported, their teams benefit from focused guidance, stronger collaboration, and consistent execution. This enables people leaders to remove roadblocks, coach effectively, and align team efforts with strategic goals, leading to higher performance and productivity ("How Effective Leadership Boost Productivity," Forbes, 2023).

Engagement: When leaders foster trust, communicate clearly, and recognize contributions, they create environments where employees feel seen, supported, and motivated, which drives higher levels of engagement ("How Leaders Impact Employee Engagement," Forbes, 2023).

Retention: When leaders are supported and thriving, they create environments where employees feel valued, supported, and motivated to grow. This reduces burnout – not just for themselves but for their teams – and increases the likelihood that top talent stays, minimizing the financial impact of turnover ("What Makes Employees Stay," Forbes, 2025).

Change readiness and resilience: When people leaders model resilience, communicate transparently, and create psychological safety during times of uncertainty, they provide employees with stability and direction. This builds organizational agility and the capacity to navigate change.

Strategic execution: When people leaders translate vision into action and align their teams with organizational priorities, they drive accountability and ensure that strategy turns into measurable progress.

Organizations with people leaders who **are highly proficient in personal competencies** (empathy, relationship-building, emotional intelligence) are:

2.1x **more likely to have high overall workforce productivity.**

(McLean & Company HR Trends Report 2025; *n*=644)

Organizations with people leaders who are **highly proficient in leadership competencies** (managing talent, managing risk, strategic direction & execution) are:

2.2x **more likely to be high performing at generating and implementing new ideas.**

(McLean & Company HR Trends Report 2025; *n*=641)

Translating insight into action starts with critical reflection of the role of people leaders

Shifting from overloaded, conflicting demands on people leaders to unlocking their full impact on organizational outcomes requires examination and reflection. **Use McLean & Company's *The Role of People Leaders Worksheet* alongside this research to guide that reflection and help translate insights into practical actions to transform the role of people leaders.**

Align perspectives and ownership

The worksheet can be used:

- With leaders across the organization: Use the worksheet for discussion and reflection to engage leaders in exploring the role of people leaders. Use it to help surface different perspectives, build alignment, and create shared ownership and accountability in the future definition of the role.
- Within HR: Use the worksheet as a reflection and planning tool for HR to critically examine how the organization currently defines the role of people leaders, identify gaps, and determine what HR can do to influence and drive meaningful change.

Reflect on strengths and opportunities

While reviewing the research, reflect on the current state of people leaders in the organization. Use the worksheet as a tool to capture observations and insights around:

- What is working well. Identify strengths and practices that are supporting people leaders effectively today.
- What is not working well. Note the pain points, challenges, and barriers limiting the effectiveness of people leaders.
- What needs to change. Translate observations into opportunities for improvement. Highlight areas where shifts are needed to strengthen the role of people leaders and maximize their impact.

Turn insights into lasting change

Based on the insights captured through each section of the research, use the worksheet to translate these reflections into practical actions and next steps:

- Top priorities: What are the most urgent issues to address?
- Quick wins: What are the small, achievable changes that will build momentum and show early progress?
- Long-term shifts: What are the larger structural or cultural changes that will take more time to design and implement?

The current state of people leaders

Section description

People leaders are navigating a perfect storm of expanding responsibilities and rising complexity. Beyond delivering results, they're now called on to nurture talent, foster employee wellbeing, and support their teams through constant internal and external change – all while managing an ever-growing list of demands.

This section covers:

- Workload challenges that limit people leaders' effectiveness and impact their wellbeing.
- The critical skill gap among people leaders and its impact on organizational performance.
- The role of people leaders in driving change and shaping future success.

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Use McLean & Company's *The Role of People Leaders Worksheet* to translate insights from this section into a definition of the role that reflects the current realities of people leaders in the organization.

From frontline leaders to executives, people leaders face evolving demands and challenges

The demands of people leaders define the work; the challenges determine how effectively it gets done. Both shift, and often multiply, at each stage of a people leader's journey – from first-time leader to leader of leaders to executive.

First-time leaders

Demands: Making the leap from individual contributor to team leader, delivering results through others, guiding performance, and building foundational leadership behaviors.

Challenges: New leaders often battle resistance to change, struggle to grow others, and must quickly adapt their communication and feedback to lead effectively ("Understanding Leadership Challenges," Center for Creative Leadership [CCL], 2020).

Leaders of leaders

Demands: Shaping direction across teams, leading through other managers, balancing operational priorities with people priorities, and translating strategy into action.

Challenges: These people leaders must navigate personal credibility with new or former peers, manage the push and pull of competing priorities, and contend with the quiet weight of imposter syndrome ("Top 20 Leadership Challenges," CCL, 2024).

Executive leaders

Demands: Setting organizational strategy, driving cultural alignment, making pivotal talent decisions and resource investments, and representing the organization externally.

Challenges: Executives must lead in uncertainty, communicate difficult trade-offs, and remain approachable while bearing the responsibility for organizational readiness and strategy execution ("Top 20 Leadership Challenges," CCL, 2024).

The middle management pressure point

Caught between strategic expectations from executives and the frontline realities of their teams, middle managers carry a unique strain. They are expected to deliver results while protecting their teams from overload – a balancing act that heightens burnout risk and degrades leadership effectiveness (Sindhwani).

The expanding responsibilities of people leaders are collapsing under workload volume

The job description of a people leader rarely reflects the full scope of the role in today's dynamic workplace. They are packed with operational expectations yet barely scratch the surface of the equally demanding people-related responsibilities. Even when acknowledged in job descriptions, people-related responsibilities are frequently sidelined by the urgency of day-to-day tasks and the pressure of operational and strategic execution (SutiSoft).

The real-life job description on the right demonstrates that not only is the balance of leadership duties and responsibilities skewed heavily toward operational tasks, but the volume of work required of leaders will limit them from excelling in any facet of their role.

The pace of change and demand for constant adaptation have created an environment where leaders are overwhelmed by operational tasks, leaving little room for people leadership* ("How Pressure Corrupts Leadership Actions," Forbes, 2025). When leaders don't focus on the people part of their role, employees – and therefore organizations –suffer. Increased stress and burnout, decreased productivity and engagement, higher turnover, eroded trust, and an unhealthy workplace culture are all symptoms that show up in the workforce when there is a lack of people leadership (Forbes, 2020).

Job Title: *Marketing Manager*

Supervisory Responsibilities:

- *Recruits, interviews, hires, and trains new staff in the department.*
- *Oversees the daily workflow of the department.*
- *Provides constructive and timely performance evaluations.*
- *Handles discipline and termination of employees.*

Duties/Responsibilities:

- *Gathers and analyzes information to identify new markets and customers, demand for products and services, and efficacy of existing marketing campaigns and strategies.*
- *Conducts market research, sales forecasting, and strategic planning to assess and ensure the sale and profitability of products.*
- *Conducts pricing research and analysis to ensure competitive product and service pricing.*
- *Maintains knowledge of trends and developments in the market; identifies needs for new products and services and makes recommendations to leadership.*
- *Analyzes and evaluates financial aspects of product development.*
- *Collaborates on the development of new products.*
- *Composes, develops, evaluates, and conducts training on marketing activities, strategies, and policies.*
- *Collaborates, participates in, and coordinates promotional activities or trade shows.*
- *Negotiates contracts for services needed to execute a marketing strategy.*
- *Performs other duties as assigned.*

("Job Description: Marketing Manager," SHRM, 2023)

Conflicting leadership demands are eroding people leaders' wellbeing

Overwhelmed people leaders are not "just distracted," they are caught in the crossfire of competing demands that undermine their impact. When leaders' attention is fragmented across operational, strategic, and people leadership responsibilities, they are less effective in their role, negatively impacting team morale and productivity. The constant balancing of responsibilities leads to increased stress and a lack of focus (The HR Digest).

Workload expectations have profound effects on leaders' wellbeing

Leaders are **1.7x** more likely to report higher levels of stress compared to individual contributors.

(McLean & Company HR Trends Report 2025; *n*=754)

Over **40%** of people managers report not being able to maintain a balance between their work and personal life.

(McLean & Company Engagement Survey, 2022-2025; *n*=258 organizations, 33,614 people managers)

As the demands on people leaders continue to grow, so does the risk of burnout – not only from the volume of work, but also from the emotional labor* that comes with leading others. People leaders are doing more than executing tasks; they're leading through change, complexity, and growth while carrying the emotional weight of supporting their teams and managing their own stress.

The invisible work of people leaders

People leaders set the emotional tone for their teams while navigating their own stress and uncertainty. They're expected to lead with confidence and optimism, often at the cost of suppressing their own emotional needs. It's a delicate balance: showing vulnerability can shake team morale but bottling it up erodes personal wellbeing.

In the short term, emotional containment might keep things moving, but over time it drains leaders' energy, engagement, and effectiveness. People leaders are human too, and when their emotional needs go unrecognized, the entire organization feels the impact – as the saying goes, "you can't pour from an empty cup." Recognizing and supporting the emotional labor of people leaders isn't just compassionate, it's essential for building resilient, high-performing organizations.

Recognition must go beyond compensation. By embedding emotional labor into job descriptions, competencies, training, and performance management, organizations signal that they value the full scope of leadership, both the visible outputs and the invisible effort, without adding to the burden.

(Mind Tools)

The pipeline of people leaders is at risk

Developing future leaders is imperative for ensuring operational continuity and driving long-term organizational success (CHRO Strategy). However, **the challenges currently associated with the role of people leaders are preventing organizations from effectively developing their leadership pipeline.**

The leadership development struggle is real...

74% of organizations report facing challenges developing effective people leaders.

(McLean & Company HR Trends Report 2025; *n*=629)

Of those facing challenges with leadership development,

78% Identify limited capacity due to high workload as the **#1 barrier** to developing effective leaders.

(McLean & Company HR Trends Report 2025; *n*=438-445)

The leadership pipeline is under strain as growing **workload pressures leave aspiring and potential future people leaders with little capacity to invest in their own development.**

Future people leaders are realizing that leadership is more work than it's worth

Over half of early career professionals don't want to take on a management role in their career. When asked about the main deterrents to taking on management roles, over 2/3 early career professionals **stated they were too high stress, low reward** (Robert Walters).

Employees are shying away from leadership roles, despite their potential and the organization's need for leaders, due to several perceived risks:

- Interpersonal risk: Leadership roles strain relationships with colleagues.
- Image risk: If the leadership team is viewed unfavorably at the organization, being a leader could negatively impact their own reputation.
- Risk of blame: Employees fear of being held accountable for failures.
- Work-life balance: Increased workload disrupts personal lives and wellbeing.

("Why Capable People are Reluctant to Lead," HBR, 2020)

Insight | If leadership development is the problem, it's not the solution. Providing more development activities for leaders to participate in, when they are already struggling with high workload and a lack of role clarity, treats the symptoms rather than addressing the root causes of people leaders' challenges.

Human-centric skills are the ones people leaders lack but need the most

The workload demands and development challenges experienced by people leaders are intensified by constant change, both inside and outside the organization. As the pace of change accelerates, so does the pressure on leaders to deliver results, inspire teams, and steer through uncertainty. **In this environment, technical expertise and operational efficiency alone are no longer enough. People leaders must harness human-centric skills and competencies to:**

- Build trust and connection in distributed teams.
- Navigate emotional complexity during periods of disruption.
- Foster resilience so teams can adapt quickly without losing engagement or productivity.
- Balance short-term execution with long-term vision by aligning people, purpose, and performance.

However, **people leaders across levels are missing the human-centric skills and competencies that will enable them to be effective** in their role now and in the future.

Leadership groups rated as highly proficient in human-centric competencies*:

(McLean & Company HR Trends Report 2025; *n*=637-652)

Human-centric skills are a non-negotiable

Simply put, human-centric skills and competencies are not a "soft" skill set. They are a strategic differentiator for people leaders that determine whether organizations merely survive change or use it to thrive.

Organizations with leaders of leaders who are highly proficient in human-centric competencies are:

2.1x more likely to be high performing at shaping a strong organizational culture and changing quickly at scale to capitalize on new opportunities.

(McLean & Company HR Trends Report 2025; *n*=639-648)

Organizations with executive leaders who are highly proficient in human-centric competencies are:

2.2x more likely to be high performing at achieving strategic goals and objectives.

(McLean & Company HR Trends Report 2025; *n*=649-650)

People leaders are a driving force for organizations now and in the future

People leaders are under immense pressure. They're expected to be performance drivers, change champions, and provide emotional support, all while navigating rising expectations, shifting external forces, and ongoing organizational change. These pressures are not just a burden. They're a sign that the role, as it stands, is no longer sustainable. Organizations must be diligent in rethinking how they define, support, and empower people leaders to ensure that they are equipped to thrive in an increasingly complex and demanding environment.

Looking ahead, the role of people leaders needs to evolve to keep up

The importance of effective people leaders will only grow as organizations respond to technological, social, and organizational shifts. The future of leadership is moving toward a change mindset: one that embraces uncertainty, emotional intelligence, and team dynamics as key attributes of effective leadership ("The Future of Leadership," Forbes, 2024).

Change will be constant: As change becomes a permanent state, people leaders will be the ones helping teams stay grounded, focused, and aligned.

Human skills will be in demand: As AI and automation take over routine tasks, the uniquely human qualities of empathy and relationship-building will grow in value.

Until organizations elevate the people leader role and invest in its evolution, they risk missing out on one of their most powerful levers for performance, resilience, and long-term growth in a dynamic future ("Maximize Your Impact as a Leader," Forbes, 2024). As workplaces continue to transform, it is people leaders who will carry the responsibility of translating change into clarity, strategy into action, and culture into lived experience. Their influence will define how organizations adapt, grow, and lead in the years ahead. The essence of the role – supporting people, fostering culture, and enabling performance – will stay the same, even as the tools and context evolve, making people leaders a cornerstone of the future.

The future of people leaders

Section description

Tomorrow's successful leaders won't just lead teams – they'll navigate constant disruption, operate in digital environments, and transform how work gets done. As the pace of change accelerates and complexity deepens, the demands on people leaders will surpass today's limits, making the current role increasingly misaligned with what the future requires.

This section covers:

- The impact of technology on transforming the role of people leaders.
- The importance of human-centric skills and competencies.
- The role of HR in shaping human-centric, future-ready people leaders.

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The future belongs to leaders who embrace change and thrive in uncertainty

People leaders can't just react to change – they must anticipate it and help their teams grow through change. As the future will increasingly be shaped by constant disruption and complexity, people leaders must be comfortable with uncertainty, open to feedback, and be skilled at navigating complexity with empathy and clarity (Sott & Bender). This means developing a new kind of leadership muscle – one that values curiosity over certainty and learning over control (The CEO Magazine).

73% of respondents feel that leaders' skill sets will need to change completely or almost completely to adapt to the future of work in 2030.

(McLean & Company Future of Work survey, 2024; *n*=349-452)

People leaders who inspire through change are better equipped to align teams, overcome resistance, and sustain momentum amid uncertainty. This underscores why people leaders who excel at change management are essential for organizations seeking to develop future-readiness and resilience as they:

- Align people with purpose and ensure employees understand the "why" behind change, fostering inclusion and motivation.
- Turn disruption into opportunity and equip organizations to respond proactively, not reactively.
- Build organizational agility, cultivate flexible mindsets, and empower teams that enable organizations to pivot quickly and effectively.

("Using Mindful Leadership to Empower Resilience," SHRM, 2025)

The role of people leaders will go beyond mastering a static set of skills and demand true adaptability. People leaders will need to flex, pivot, and tailor their approach to respond to the changing needs of employees, the organization, and the broader environment.

Insight

Change management acts as a catalyst that amplifies the impact of other leadership skills. As the workplace is continuously disrupted, even well-developed competencies are only effective when people leaders can apply them under pressure and in fast-changing situations. The future will favor those who evolve in real time: not just managing change but *leading* through it.

Emerging technologies will alter the path for people leaders

Technological advancements are not just enhancing workflows; they're fundamentally changing how work gets done. Robotics and autonomous systems enable 24/7 production with minimal human oversight, and predictive analytics are used to forecast data and global trends ("How Agentic AI Will Shape the Future of Business," Fast Company, 2025). These advancements are two examples of how workplaces are becoming more intelligent, automated, and dynamic through technology. This begs the question: what does this mean for the role of people leaders?

People leaders will be central to how technology is integrated into the workplace.

The future of work will be influenced not only by the tools organizations adopt, but by the judgment, values, and leadership of those guiding that adoption. The role will expand beyond managing teams to include ethical oversight, fostering trust, and ensuring that technology enhances, not replaces, human connection and judgment.

Leadership development must evolve to meet new demands.

As emerging technologies absorb many entry-level tasks, employees will be stepping into roles with greater responsibility earlier in their careers, compressing learning curves and reducing opportunities for gradual skill building. Future-ready leadership development must prepare people leaders to navigate ambiguity, lead with empathy, and make human-centric decisions in increasingly digital contexts("Redefining Leadership for the Future of Work," Forbes, 2025).

AI and the rise of human-centric leaders

AI is already outperforming humans in areas like data analysis, pattern recognition, and even some decision-making – and organizations are taking notice.

43% of respondents indicate that they are increasing their use of advanced technology (generative AI, automation) to adapt to changes in the external environment.

(McLean & Company HR Trends Report 2025; *n*=671)

While AI will optimize workflows for efficiency, it can't yet replicate the nuance, emotion, and contextual judgment that humans bring to decision-making. The most effective people leaders of the future will double down on what technology can't yet do ("The Best Leaders Can't be Replaced by AI," HBR, 2024). This prompts a renewed focus on developing people leaders who apply human judgment and make human-centric decisions, not only in support of employees, but in service of the organization's purpose itself.

Human-centric leaders will drive the behaviors that create competitive advantage

Technology is automating tasks, not relationships. Though AI now mimics human interaction, it cannot replace the depth and authenticity of human connection. AI isn't a threat to human value: it's a call to refine and elevate our uniquely human strengths. Organizations that prioritize human-centric leadership will be best positioned to harness technology for sustainable, long-term impact ("Everyone Is Talking About Human-Centric AI," Forbes, 2025).

Empathy drives performance and innovation. AI may optimize processes, but only empathetic leaders foster the creative collaboration, psychological safety, and shared purpose that fuel lasting commitment and innovation ("How human connection drives innovation in the age of AI," Fast Company, 2025). Human-centricity is not just critical today; it will be indispensable as leadership demands continue to evolve.

45% of respondents believe that emotional intelligence will be the most important skill for people leaders in 2035.

This is a clear signal that human-centricity is emerging as the defining competency for leaders of tomorrow.

(LinkedIn Poll, June 2025; *N*=216)

Embedding human-centricity* into organizational metrics turns intention into accountability. Human-centricity will only become a true leadership priority when performance metrics value behaviors as much as outcomes. To assess leadership effectively, organizations must look beyond strategic results and consider the human-centric behaviors that drive them.

Organizations that measure **leading indicators** will have visibility into the predictive signals that provide early insight into leadership effectiveness such as coaching, feedback quality, employee sentiment, or development participation (Amplitude). Furthermore, continuing to evaluate **lagging indicators** or outcome-based metrics, will allow organizations to reflect on results after they occur such as turnover, retention, revenue contribution, or engagement scores.

A balanced approach to performance metrics is essential for human-centric leadership. Leading indicators offer early insight into leadership behaviors, while lagging indicators validate whether those behaviors drive meaningful outcomes. Together, they offer a more complete and actionable view of leadership effectiveness and reinforce that *how* leaders lead is just as important as *what* they deliver (Inc).

See Appendix II for more information on McLean & Company's 2024 *Future of Work* report, which explores how human-centric leadership will be critical for organizations to thrive in 2025 and beyond.

Team dynamics will only become more complex for people leaders to manage

No longer only managing static, co-located teams, people leaders must navigate a dynamic of distributed, multifaceted, and digitally augmented workforces. The future of leading teams must prioritize collaboration, adaptability, and continuous learning.

Distributed teams* are becoming increasingly prevalent

Technology isn't the only factor reshaping how organizations operate. With **64%** of organizations already using distributed teams, this shift is well underway but far from complete (Electro IQ, 2025). As technology advances and virtual collaboration grows more complex, people leaders will face rising expectations to foster trust, engagement, and shared purpose across increasingly digital and dispersed environments ("A Paradox," MIT Sloan Management Review, 2021).

Teams will be a blend of generations and talent models

The future of work is not just digital; it is multifaceted and dynamic. Teams will span generations and talent models, from full-time staff to gig workers and freelancers. To navigate these dynamics, **people leaders must build shared purpose and practice inclusive leadership,** using technology to match the right talent to the right work at the right time ("Why A Multigenerational Team Is a Competitive Advantage," Forbes, 2025).

Human-to-technology leadership is on the horizon

As AI, automation, and digital platforms become embedded in work, people leadership will increasingly involve leading both humans *and* machines ("Hybrid Work," MIT, 2024). This shift will require people leaders to take on new responsibilities, including:

- Designing workflows where humans and machines complement each other.
- Identifying and closing digital skill gaps across the workforce.
- Guiding ethical decision-making in tech-enabled workflows.
- Safeguarding against bias, misuse, and overreliance on automation.
- Maintaining a strong sense of purpose and belonging in digital environments.
- Balancing productivity with empathy and human connection in tech-driven workplaces.

("Humans After All," Forbes, 2025)

As technology will expand the scope of an already overloaded role, the pressure to keep pace with these new responsibilities will also rise. Organizations must rethink how to support people leaders and balance rising demands with protection against burnout.

Organizational structures are changing, and the role of people leaders will follow suit

The future of organizational design is faster, more fluid, and increasingly complex. As technologies like AI, robotics, and spatial computing reshape work, organizations must evolve their structures to support constant adaptation. Future operating models and organizational structures must be dynamic, agile, and built to continuously evolve to keep pace with change ("From AI Productivity to Organizational Power," Forbes, 2025).

As complexity in organizational design grows, forward-thinking organizations will move beyond rigid hierarchies toward adaptive structures aligned by shared purpose. These models will enable faster, more decentralized decision-making and will be powered by technology-enabled workflows that foster agility, collaboration, and continuous learning, allowing organizations to respond to change with greater speed and resilience ("Why Decentralized Innovation Is Critical," Forbes, 2022).

Implications for the expectations of people leaders

From authority to collaboration: As roles, teams, and workflows become more fluid, leadership will increasingly be defined by the ability to influence and build trust across teams. People leaders will shift from directing work to connecting people, ideas, and resources across the organization.

From gatekeepers to enablers of autonomy: Decision-making will be decentralized, and leaders will no longer act as bottlenecks for approvals. They will need the skills to ensure teams have the clarity, tools, and support to operate independently and the psychological safety needed to take risks.

From managers to navigators of ambiguity: As roles and teams become more fluid, people leaders will evolve to help individuals navigate complexity, stay anchored in purpose, and continuously adapt in environments defined by change.

("From Alpha to Adaptive," HBR, 2024)

Insight | Evolving organizational structures often push to reduce layers of leadership for the sake of streamlined operations. But eliminating middle managers doesn't just remove a layer, it removes critical connectors who support communication, culture, and development.

HR has an opportunity to reimagine the trajectory of the role of people leaders

Organizations are at a critical juncture, and **HR is poised to influence the path for people leaders by responding to today's challenges and anticipating tomorrow's expectations.**

People leaders and HR are facing a perfect storm of pressure. From adapting to rapid technological change to navigating a polycrisis* world (World Economic Forum), **demands on people leaders are growing. HR must move beyond a support function to act as strategic champions of leadership:** shaping the culture that enables effective leadership and guiding the organization toward values that support human-centric leadership.

Roles and responsibilities	Skills and competencies	HR programs and processes	Technology
• Clearly define the role and responsibilities of people leaders. • Examine workloads to align with organizational values and strategic priorities.	• Assess, recognize, and reward human-centricity. • Embed human-centric competencies into performance expectations.	• Build impactful and relevant leadership development programs. • Diversify career paths and leadership development opportunities.	• Adopt AI and automation to streamline workflows and support team performance. • Use digital tools to implement real-time feedback platforms.

The future demands a new approach to leadership. To build future-ready people leaders, HR must integrate leadership expectations into every system that shapes the employee experience and foster the cultural conditions that allow those systems to succeed. This shift requires HR to act as a connector across silos, a bridge between strategy and behavior, and a steward of the organizational norms that enable human-centric leadership (Training Industry).

Insight

To truly transform the role of people leaders, HR must partner across the organization – cocreating role expectations with executives, empowering people leaders, and embedding leadership development into the fabric of everyday work. **The success of people leaders in the future is a shared responsibility, and HR is the catalyst that brings it to life.**

Reimagining the role of people leaders

Section description

Given the current realities facing people leaders and the accelerating forces reshaping the workplace, the role can no longer continue as it has. Reimagining the role of people leaders requires an integrated approach across systems and processes to bridge the gap between the current state and the future of people leaders in organizations.

This section covers:

- Redefining roles and responsibilities of people leaders.
- Rethinking the skills and competencies people leaders need to succeed.
- Realigning HR programs and processes to support the role of people leaders.

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Reimagine the role of people leaders using strategic levers that drive impact

Transforming the role of people leaders starts with a new vision for leadership that inspires action across the organization. This work requires more than surface-level change – it calls for a deliberate shift in how organizations define, support, and enable people leaders to succeed, no matter the environment.

Strategic levers are high-impact actions that shape the effectiveness of people leaders. Intentionally investing in and adapting these strategic levers to drive impact across the organization ensures people leaders are equipped to meet the demands of internal and external changes, now and in the future. The four strategic levers for reimagining the role of people leaders include:

- **Roles and responsibilities:** Redefining the roles and responsibilities of people leaders.
- **HR programs and processes:** Realigning HR programs and processes to support people leaders.
- **Skills and competencies:** Rethinking the skills and competencies people leaders need to be effective.
- **Technology:** Reinforcing the integration of technology into people leaders' practices.

In the pages that follow, each of the strategic levers above will be examined, and recommendations for organizational actions will be explored.

Use McLean & Company's *The Role of People Leaders Worksheet* to capture insights as each lever is examined and document areas to prioritize for change.

Clearly defining the role of people leaders brings purpose and clarity

Leadership without definition risks disengagement

People leaders have become a catch-all in organizations – a blend of strategist, coach, project manager, culture builder, and operational executor. **To move forward, organizations must shift from ambiguity to clarity, establishing a shared understanding of what the role of people leaders truly entails.** This clarity is foundational not just for consistency but for enhancing leader engagement and driving organizational performance ("Effective People Managers," SHRM, 2023).

72% of HR respondents believe that redefining people manager expectations has a high impact on organizational performance. However, only **11%** of organizations have implemented this initiative.

(McLean & Company HR Trends Report 2025; *n*=520-565)

Organizations that establish a shared definition for the role of people leaders that aligns with the mission, vision, and values move beyond current pitfalls. With a clear understanding of what it means to be a people leader, organizations will be able to provide more clarity in leaders' expectations, removing the need for leaders to interpret their roles in ways that may be inconsistent, reactive or unsustainable.

A strategy-driven definition ensures clarity and consistency

Organizations must establish a clear definition of people leadership that aligns with the broader strategy by focusing on:

Why:

- Why is the role of people leaders critical to achieving strategic goals?
- Why does the role of people leader exist? What is their purpose?

What:

- What are the essential responsibilities for people leaders?
- What outcomes should people leaders be accountable for?
- What makes people leaders in the organization unique compared to leaders in other organizations?

How:

- How should people leaders show up in their daily interactions? What competencies should they demonstrate?
- How do we expect people leaders to balance strategic and operational priorities with team needs?
- How will people leaders' behavior be measured and reinforced?

Revisit these questions regularly to **ensure the role of people leaders evolves with the organization's strategy, culture, and workforce needs.**

Intentionally designing people leaders' workloads helps unlock their full potential

To truly empower people leaders, **organizations must design their workloads for the full scope of their responsibilities – including the invisible tasks that make people leaders' work meaningful.** This means rethinking how organizations define productivity, allocate time, and measure the success of their people leaders.

Eliminate, automate, delegate

Assessing how people leaders are currently spending their time is critical in designing a workload that **focuses on activities that truly drive value and distinguishes them from lower-impact tasks.** This might include:

- **Eliminating** redundant reporting or low-value meetings.
- **Automating** routine administrative tasks through technology.
- **Delegating** operational tasks to empower team members and build capability.

When applied with purpose, AI and automation can significantly reduce workload, improve job satisfaction, and enhance organizational performance (Maja Rožman et al.).

Make space in people leaders' workloads for what matters most

Turning invisible effort into impact when creating the responsibilities of people leaders means asking the right questions about what people leaders are currently doing in comparison to what truly matters for the organization:

- What people leaders' activities create the most long-term value, even if they don't produce immediate results?
- Where are people leaders spending time that could be eliminated, automated, or delegated without compromising impact?
- How are operational and strategic demands balanced with people leadership responsibilities?
- Do people leaders have protected time for people leadership activities such as coaching, development, and team alignment?
- How will flexibility be embedded in people leaders' workloads to account for unexpected demands and challenges?

Insight

People leaders' workloads must be designed with built-in flexibility – not just to manage planned priorities, but to respond to the unplanned realities of leadership. Without this intentional buffer, even the most strategic workloads become rigid, leaving leaders overwhelmed and reactive when challenges inevitably arise.

To be future-ready, leadership skills need to go back to the basics

The role of people leaders isn't about doing more; it's about enabling and empowering others to achieve more

However, **many organizations promote individuals into leadership roles based on technical expertise, not their readiness to lead others.** As these individuals progress into more senior roles, the consequences multiply, poor leadership becomes normalized, development stalls, and culture suffers. This creates a gap in leadership skills, where people leaders are technically skilled but ill-equipped to manage, develop, and inspire others ("The Leadership Gap," CCL, 2020).

Without foundational leadership skills, many people leaders fall into the trap of trying to do it all themselves and micromanaging others (Leena Nallalingham). This not only limits team autonomy and innovation but creates bottlenecks and burnout. As the complexity of work continues to evolve, the ability to create conditions for others to thrive will define successful people leaders ("The Power of Letting Go," Forbes, 2025).

To support this shift, **organizations must not only build flexibility in the role but also invest in developing leadership competencies** such as emotional intelligence, coaching, and communication. These are not optional "soft skills" but essential tools for building high-performing, resilient teams in a fast-changing environment.

See Appendix III for a sample leadership competency

Turn "side of desk" tasks into leadership priorities

When people leaders lack foundational leadership skills, they often struggle to prioritize people leadership responsibilities such as performance management, coaching, and career development (Northwest Executive Education).

Several factors contribute to this deprioritization:

- Lack of confidence: Leaders who haven't received training on giving feedback or setting goals may avoid these conversations altogether.
- Time pressure: Without the skills to delegate effectively, leaders are too busy doing the work to focus on developing others.
- Misaligned incentives: If the organization values results over team development, it sees people leadership tasks as secondary.

The solution? A human-centric, collaborative, and integrated approach to leadership. In an environment defined by change, a top-down model will not suffice. Instead, focus on leaders' capability to *create space to lead* – this means planning deliberately, learning continuously, sharing leadership, activating networks, and leading through influence.

Aligned HR processes bring the organization's vision for the role of the people leader to life

To cultivate future-ready, human-centric leaders, HR programs and processes must work together. **When aligned, they send a clear, consistent message about what it means to be a people leader at the organization and make it easier for leaders to live up to that standard.**

Six key areas of HR to focus on include:

- **Recruitment and selection:** Clearly defining people leadership enables organizations to assess and hire leaders who possess or have the potential for desired leadership skills and competencies, avoiding the pitfall of focusing solely on technical skills.
- **Onboarding:** Early exposure to desired leadership behaviors sets the tone for what the organization values and expects of employees. In practice, this may include introducing new hires to leadership expectations and launching buddy programs with people leaders who demonstrate desired leadership behaviors.
- **Learning & development:** Effective people leaders are developed through intentional efforts – made possible by programs and systems that provide the training in the skills and competencies leaders need to succeed.
- **Performance management:** When people leadership is measured, it becomes a priority. This includes embedding people leadership into performance criteria and building accountability from the top down.
- **Rewards and recognition:** What gets rewarded gets repeated. Desired leadership behaviors become an organizational norm when leaders are recognized and rewarded, not just for outcomes and results but for how those results were achieved.
- **Succession planning:** Identifying and preparing future leaders based on their ability to lead people, not just deliver results, strengthens the leadership pipeline and shifts leadership development from short-term problem-solving to long-term planning.

(Karthik)

If these programs and processes are not aligned with the organization's definition of what it means to be a people leader, the organization risks sending the wrong message to leaders and employees about what success looks like (BMC Training). For example, an organization sets the expectation for leaders to prioritize people leadership, and a sales leader – who meets their financial targets but causes burnout among their team – is awarded a sales prize and subsequently promoted. Promoting and rewarding this sales leader sends a contradictory message about what it means to be a people leader in this organization's context.

Thinking differently about career paths creates a world of leadership possibilities

The traditional linear career path where employees progress from entry-level positions to leadership roles is increasingly disconnected from the broad array of aspirations, strengths, and needs of the workforce. To thrive in the future, organizations must reimagine the role of people leaders by redefining career paths to unlock leadership potential at every level.

Align people leadership career paths with the desire and capability to lead others

HR must reimagine more flexible and multidimensional career paths to ensure those who aspire to leading others progress into people leader roles, and those who don't are also provided career advancement opportunities. Several innovative approaches include:

Dual career tracks: Organizations can establish parallel career paths for people leadership and operational leadership. The people leadership track focuses on team development, coaching, and organizational culture, whereas the operational leadership track focuses on technical expertise, systems thinking, and strategic execution ("Career Development," SHRM, 2025).

Personalized career paths: Career paths powered by AI and internal talent marketplaces allow employees to pivot or deepen their expertise based on interests and evolving business needs. This may include career paths that support skill-based or project-based progression or encourage lateral moves across functions to build holistic leadership capabilities ("Six Steps to Career Flexibility," Forbes, 2022).

Coleadership models: Leadership structures where two individuals share authority of a leadership role but divide tasks based on strengths. This enables organizations to harness complementary strengths, address workload challenges, and reduce burnout (Oxford HR).

The question for organizations is no longer "who is ready to lead?" but rather **"how can we design leadership opportunities that align organizational needs with where people are and where they want to go?"**

Rethinking career paths unlocks leadership potential

Providing alternative and innovative paths for leaders, whether involving leading others or not, ensures individuals are promoted into roles that align with their strengths and interests and reduces the likelihood of burnout (SHRM, 2024).

> *When you join an organization, you have the chance to try all kinds of things and discover what works best for you. It's not about choosing one path – but exploring many. That's what people want now.*
>
> – Tia Price, CPO, Management Leadership for Tomorrow

See Appendix IV for real-world examples of how organizations are reimagining career paths.

Leadership development programs thrive when they're built around what matters most

A new mandate: Leadership skills for now and the future

Despite billions spent annually on leadership development, many organizations are not seeing the return they expect (DDI, 2024). The issue isn't a lack of investment – it's **misalignment between what's being taught and what leaders need to succeed in a complex and fast-paced environment:**

Only **25%** of HR respondents rated their leadership development programs as being highly effective.

(McLean & Company HR Management and Governance Survey, 2023-2025; *n*=895 HR respondents)

Standard leadership development programs often focus on legacy competencies rather than the skills leaders need now. **Without updating leadership development curriculums to reflect these needs, organizations risk falling behind** in digital transformation and culture-building efforts because of underprepared leaders who struggle to engage teams or drive innovation (HBR, 2023).

From programs to ecosystems: Making development stick

Organizations must move beyond one-off development initiatives and **establish an interconnected system of learning experiences, tools, relationships, and feedback loops that support continuous growth**. This includes embedding learning into everyday work, offering personalized learning journeys, providing structured coaching and mentorship, and using leadership simulations to build and practice skills.

When leadership development is relevant, practical, and integrated, it doesn't just build better leaders – it also supports their wellbeing. In fact, leaders who report the training and skills development they receive is effective are:

2.8x more likely to find their stress levels manageable.

(McLean & Company Engagement Survey, 2022-2025; *n*=26,485 people managers)

By equipping leaders with the right tools, relationships, and support systems, organizations help leaders thrive under pressure.

Insight

Often what holds HR back isn't a shortage of ideas, but the pursuit of perfection. In a fast-changing environment, waiting too long to launch risks making development efforts obsolete before they even begin.

Instead of planning for vacancies, start building for leadership readiness

Future-proofing leadership starts now. The next generation of people leaders must be equipped to manage distributed teams, drive digital transformation, and foster human connection – often simultaneously.

This means that succession planning may no longer operate as a periodic, check-list driven exercise focused narrowly on backfilling roles. Instead, organizations must rebuild succession planning as a continuous, strategic process – one that actively develops the human-centric skills leaders will need tomorrow, not just the ones that made them successful yesterday. However:

Only 28%

of respondents have a formal, documented succession planning program that has well-defined processes and is aligned with strategic objectives.

(McLean & Company HR Trends Report 2025; *n*=677)

Without a formal and strategic succession planning process, organizations are left waiting until a vacancy arises to start preparing a successor. **This reactive approach perpetuates the cycle of burnout and underprepared leaders, leaving organizations scrambling when they need ready leaders the most** ("Retool Your Succession Planning," SHRM, 2023).

Succession planning and leadership development must be interconnected

Succession planning and leadership development are often treated as parallel but disconnected efforts: one focused on identifying future leaders, the other on building their capabilities. However, in a world of constant change and evolving leadership demands, organizations must integrate succession planning into their leadership development initiatives ("Strategies for Navigating Effective Succession Planning," Forbes, 2024).

This includes:

- Identifying potential that is aligned with human-centric, future-ready leadership early and often through behavioral data, peer feedback, and performance trends.
- Personalizing development based on the skills and competencies required for future leadership roles, not just on current performance.
- Tracking progress through leadership assessments and continuous feedback to help monitor development and ensure readiness when leadership opportunities arise.

What does this look like in practice?

- Cocreating individual development plans (IDPs) with high-potential talent that are directly tied to future leadership roles, reducing the burden of "figuring it out" on the employee and making the IDP feel like a personalized growth roadmap, not just another task.
- Assigning stretch assignments or special projects that are well-scoped, time-bound, and supported with coaching to translate leadership potential into readiness without contributing to burnout or disengagement.

Technology is an amplifier for effective people leaders, not a replacement

As organizations navigate distributed teams, shifting workforce demographics, and rising expectations for empathy and connection, **technologies like AI offer a powerful opportunity: not to replace leadership but to amplify its most human dimension.**

Automation is no longer a futuristic concept; it's a present-day imperative. From robotic processes to AI analytics, organizations must explore how to automate routine tasks to enable leaders to focus on high-value work. This shift has not diminished the need for people leadership; it has highlighted the opportunity to make people leaders' workloads more manageable to create more time for the capabilities that make people leaders unique. Leaders must therefore develop in two directions simultaneously:

- Technological fluency: Understanding how to use AI and automation tools effectively.
- Human-centric leadership: Deepening their capacity for empathy, connection, and aligning teams around a shared sense of purpose.

This dual evolution is not a contradiction – it's a complementary strategy. Leaders who embrace both sides of this equation will be best positioned to guide their teams and organizations through complexity and change ("A Paradox," MIT Sloan Management Review, 2021).

Balancing automation and the human touch is the path forward. Technology enhances leadership capability by providing data-driven insights, automating repetitive tasks, and strengthening communication, but people leaders' ability to inspire, empathize, and connect with others remains a unique asset for organizations (CCL, 2025). Without these leadership skills, organizations risk developing technically capable but emotionally disconnected people leaders – those who lack the human qualities people need to feel supported, inspired, and truly led.

AI takes the tasks, leaders take the lead

How will AI most significantly impact the role of people leaders over the next decade?

88% Automate routine tasks

1% Less need for leaders

(LinkedIn Poll, June 2025, *N*=81)

Insight

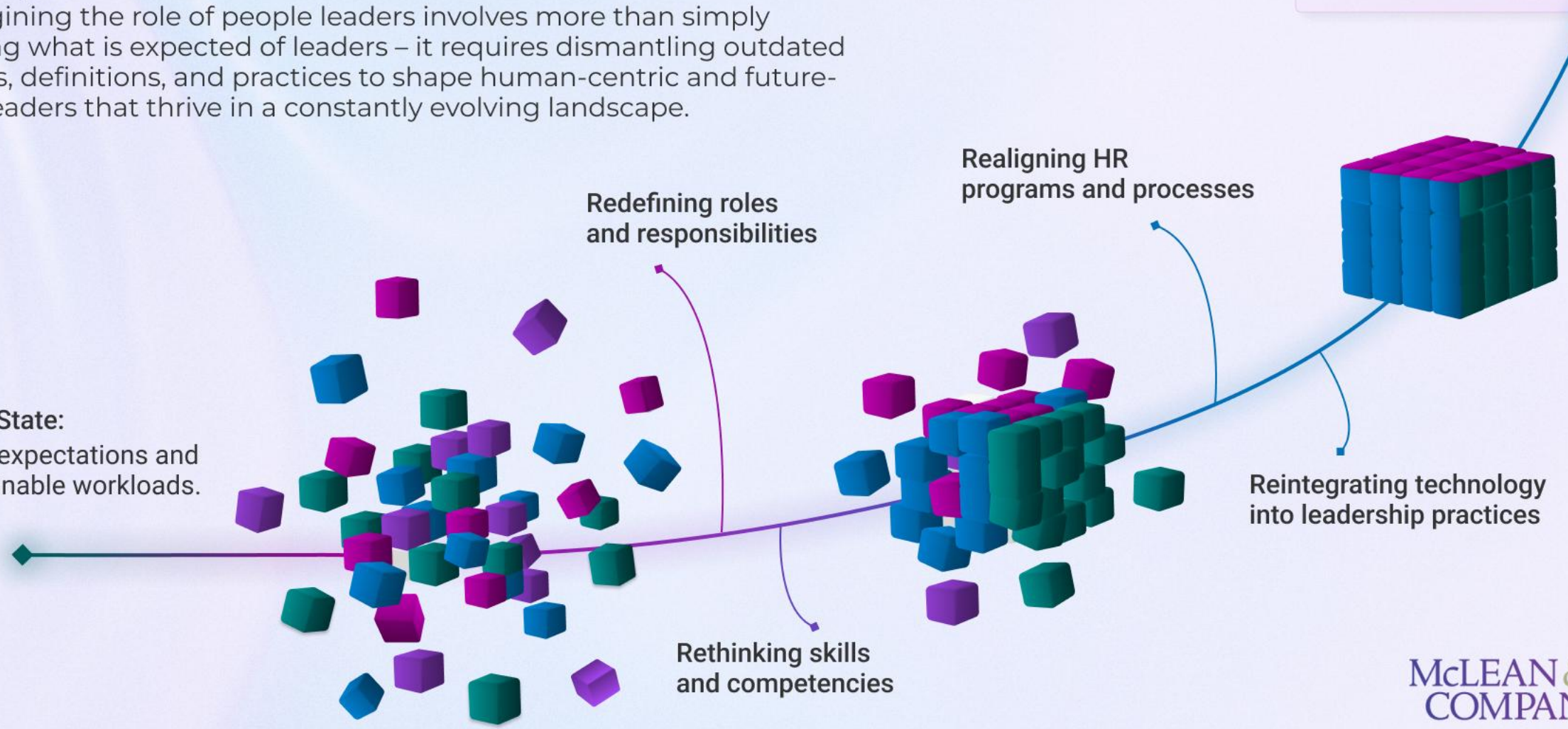
While technology may change what gets done, only leadership can shape how and why it's done. Investing in digital tools without evolving the mindset of people leaders to embrace them risks creating a disconnect between innovation and impact.

Future-Ready Leadership Demands a New Vision for the Role of People Leaders

Reimagined State:
Purposeful design and amplified impact.

Key Insight

Reimagining the role of people leaders involves more than simply outlining what is expected of leaders – it requires dismantling outdated systems, definitions, and practices to shape human-centric and future-ready leaders that thrive in a constantly evolving landscape.



McLEAN & COMPANY

Use McLean & Company resources to reimagine the role of people leaders

Reimagining the role of people leaders is critical for tapping into the full potential of leadership to thrive in the evolving landscape of work.

Role & responsibilities

- *HR Guide to Job Design*
- *HR Guide to Measuring Workload*
- *Reconceptualize Job Descriptions*
- *Develop a Leadership Strategy to Drive Organizational Results*
- *Organizational Design Guide*

Skills & competencies

- *Develop Core and Leadership Competencies*
- *Identify Skills of the Future*
- *Leverage Skills Practices in HR Guide*
- *What It Means to Become a Skills-Based Organization*
- *Demystifying Emotions in the Workplace*
- *Develop the Leadership Skills of Your Middle Managers*
- *Integrated Leadership*

HR programs & processes

- *Design a High-Value Succession Planning Program*
- *Redefine Performance Management*
- *Uncover and Market Internal Career Path Opportunities*
- *Build Impactful Leadership Development Programs*
- *Develop a Comprehensive Onboarding Program*
- *Develop a Talent Management Framework*
- *Effectively Manage HR's Work*

Technology

- *HR's Role in Driving Meaningful Digital Transformation*
- *Build a Strategic AI Roadmap*
- *Develop a Learning Technology Strategy*

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Appendix I: Glossary of key terms

Distributed teams	A group of individuals who work together but are physically located in different places across cities, countries, or even continents. These teams rely heavily on digital communication tools to collaborate and coordinate their work.
Emotional labor	Emotional labor refers to how to regulate or manage the outward display of emotions based on job requirements.
Human-centricity	The act of prioritizing the needs, experiences, and values of human beings in any decision-making or process. It involves focusing on how something impacts people's wellbeing and considers their perspectives as the primary concern.
Human-centric competencies	Empathy, emotional intelligence, relationship-building, managing talent, managing risk, strategic direction, and execution.
Human-centric leadership	A leadership approach that places people's humanity and growth at the core of organizational decisions, communication, and investment, recognizing that organizations thrive when they actively care for and support individuals at every level (Chicago Psychotherapy).
People leader	A leader who connects strategy to human experience, driving results while supporting teams through complexity and change.
People leadership	The practice of guiding, supporting, and developing individuals within an organization to help them thrive personally and professionally. People leadership centers on relationships, coaching, and enabling others to succeed.
Polycrisis	Multiple, interconnected crises converge and amplify each other, resulting in a complex predicament that is difficult to manage or resolve (World Economic Forum, 2023).

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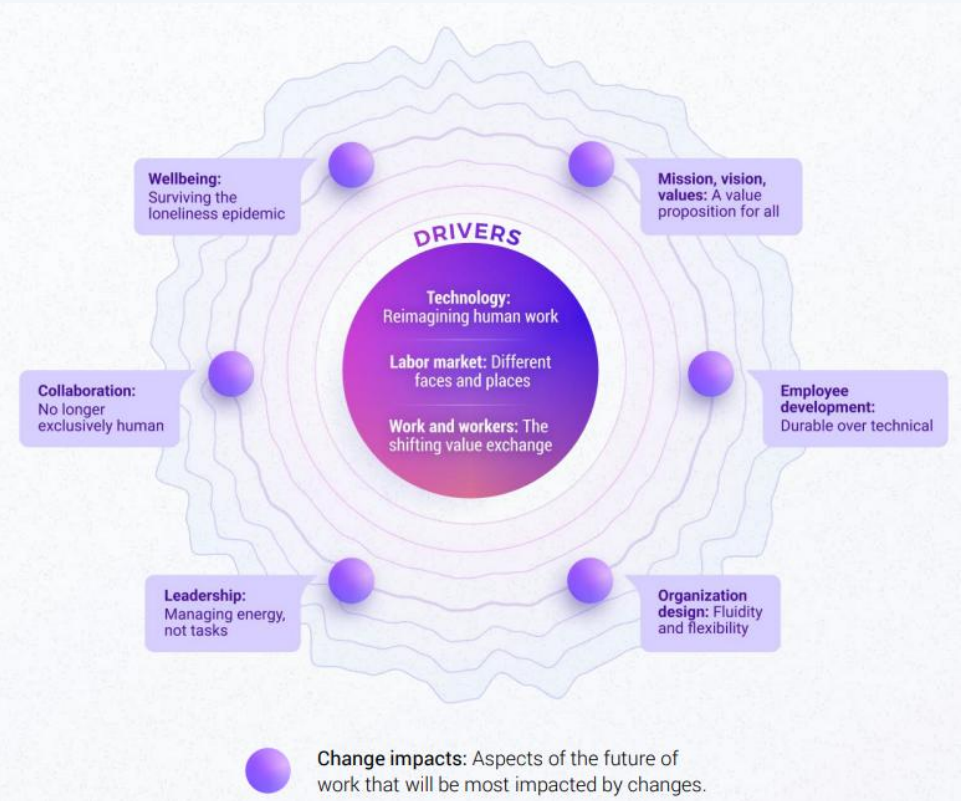
Appendix II: The future of leadership will be shaped by the future of work

McLean & Company's *Future of Work Report* provides insight into the forces that will shape the workplace of tomorrow.

The future of work is unknown. What we do know is that the labor market, technology, and how workers find value in their work are changing faster than ever, and organizations that successfully adapt will have a significant competitive advantage. This research helps organizations:

- Understand how the drivers of change will shape work, organizational practices, and the experience of workers.
- Uncover key areas where organizational leaders will have to make decisions to shape the future of work and guide leaders toward changes that will have a net positive impact for both individuals and organizations.
- Identify why they and their leaders need to adapt and the importance of doing so to drive organizational success.
- Think critically about their current state and key steps to prepare for the future.

McLean & Company's *Future of Work Report* explores the key drivers and change impacts organizations and people leaders must prepare for.



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Appendix III: Sample leadership competency

Competency	Description	Proficiency Level 1: Supervisors	Proficiency Level 2: Manager/Sr. Manager	Proficiency Level 3: Director	Proficiency Level 4: VP
Strategic Direction & Execution	• Contributes to the organization by understanding and aligning actions with the organization's goals, core functions, needs, and values. • Seeks out and incorporates multiple perspectives, experiences, and industry trends to develop a holistic perspective. • Operationalizes ideas within the business model. • Displays critical thinking when faced with a challenge by asking probing questions and looking for connections.	• Acts in a manner that is consistent with the organization's goals and values. • Leverages understanding of organizational goals when solving problems. • Understands the connections between their job, team goals, strategic direction, and key performance indicators and contributes to the development of relevant goals. • Recognizes when they do not know all the information and seeks out other perspectives before making decisions.	• Makes decisions and acts in a manner that aligns with the organization's mission, vision, values, and strategic plan. • Supports peer decisions. • Applies knowledge of the organization's standing in the competitive environment to inform decision-making on their team. • Proactively implements team-level goals required to achieve long-term strategies. • Purposefully communicates the connection between team members' work and behavior to organizational goals and values. • Navigates complexity by keeping up to date with trends in the operating environment. • Seeks to gather and reflect on a diverse set of perspectives to plan, rather than jumping immediately to action.	• Integrates the organization's mission, vision, and values into daily and strategic work and inspires others to model them in their own behavior. • Uses knowledge of the organization's standing within the competitive, political, social, and economic environment to guide decisions and achieve objectives. • Tracks industry trends and anticipates challenges to proactively solve problems. • Advocates achieving key performance indicators using knowledge of how functions and processes contribute to attaining organizational goals. • Collaborates with other leaders to set the department's priorities in alignment with the larger strategic direction of the organization to ensure cross-functional alignment.	• Sets and clearly communicates the organization's mission, vision, values, and strategic direction. • Thinks in a holistic, realistic, and future-focused manner, anticipating issues and devising solutions. • Establishes the organization's long-term strategy, and creates aligned goals, ensuring gaps are addressed. • Uses expert insight into the organization's risks and opportunities within the competitive, political, and social environment to proactively set the organization's strategic direction. • Looks beyond stated organizational goals to develop new practices that support both the people and the organization's vision.

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Appendix IV: Research in practice

Breaking the mold: Telstra's dual-role leadership model

COMPANY
Telstra

SIZE
Enterprise

INDUSTRY
Telecommunications

Situation

Telstra, Australia's largest telecommunications company, undertook a bold and innovative management transformation that split the traditional manager role into two distinct positions: "Leader of People" and "Leader of Work." As Telstra faced a fast-changing digital environment and rising customer demands for speed and personalization, it found that hierarchical leadership models created bottlenecks that slowed decision-making, hindering agile practices from scaling effectively.

Action

As part of its enterprise-wide T22 transformation strategy, Telstra restructured leadership to support agile methodologies by splitting the traditional manager role into two specialized tracks: one focused on people development, the other on delivery execution. This shift was introduced through clear executive communication and positioned as a key enabler of agility, accountability, and empowerment.

- Leader of People: Focused on coaching, career development, performance management, and employee wellbeing. This role centered on nurturing talent and supporting individual growth.
- Leader of Work: Focused on execution, managing workflows, and ensuring that teams met their goals. This role prioritized product ownership, delivery timelines, and operational efficiency.

While both roles contributed to organizational outcomes, this separation allowed individuals to excel in people leadership or operational processes, rather than balancing both. This leadership model reduced the pressure of juggling competing priorities and gave leaders more focused paths for career growth.

Result

The model was piloted using structured leadership development and coaching, with coaches modeling agile behaviors and reinforcing the shift. The results of the pilot included:

- Increased employee engagement through targeted support and transparent career development.
- Improved delivery performance by enabling faster decision-making and shorter delivery cycles.
- Strengthened coaching and feedback loops between leaders and employee that became foundational to sustaining agile behaviors across 4,000 team members.

Key Takeaway

This dual-role approach enabled Telstra to resolve the common tension between people leadership and delivery execution, boosting team empowerment, accelerating decision-making, and contributing to the success of Telstra's broader T22 transformation strategy.

(BCG)

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Appendix IV: Research in practice

Unbossed leadership: How Novartis reimagined career growth

COMPANY
Novartis

SIZE
Enterprise

INDUSTRY
Pharmaceutical Company

Situation

As Novartis sought to stay competitive in a rapidly evolving pharmaceutical landscape, it recognized that hierarchical leadership and rigid career paths were limiting innovation, agility, and engagement. In response, the company focused on developing inclusive, self-aware leaders by reimagining collaboration and creating opportunities for leaders to continuously grow and succeed.

Action

Novartis launched its *Unbossed Culture* initiative to shift from traditional command-and-control leadership toward a model rooted in empowerment, curiosity, and trust. Central to this was a leadership development program that helped leaders adopt enabling behaviors such as active listening, coaching, and inclusive decision-making to foster a more adaptive and psychologically safe work environment. Novartis reimagined leadership as a dynamic and personalized journey shaped by individual strengths and business needs. Beyond the leadership development program, Novartis introduced a suite of integrated talent tools:

- Talent Match: An AI-powered internal talent marketplace that connected employees with personalized opportunities (i.e. projects, mentorships, roles) based on their skills and aspirations.
- Match Learn: A personalized learning platform that aligned content with individual goals and business needs.
- My Potential: A self-assessment tool that offered insights into strengths and development areas.
- Our Voice & Team Perspectives: Continuous listening tools that collected real-time feedback on employee sentiment, engagement, and team dynamics through pulse surveys and team check-ins.

(Novartis)

Result

Novartis has experienced a measurable shift in internal mobility, with employees moving more frequently across roles, projects, and functions. Engagement levels rose, particularly among younger employees, and innovation cycles accelerated as teams operated with greater agility and cross-functional collaboration.

Key Takeaway

Novartis' Unbossed Culture initiative redefined people leadership as a personalized, inclusive, and dynamic journey. By embedding AI-powered tools and continuous learning into daily work, the company empowered employees to shape their own career paths and grow into leadership roles based on their strengths and aspirations, rather than traditional hierarchies or tenure.

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