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PEOPLE AND PERFORMANCE SERIES

LEADING THROUGH AMBIGUITY

Vicky Wallis, Chief People Officer at Direct Line Group, talks to Criticaleye's **Bridgette Hall** for our People and Performance Series, sharing her thoughts on data-driven decision-making, balancing strategy with operations and why there's been a focus on going back to basics





Direct Line Group (DLG) made history as the UK's first direct insurer, revolutionising the industry by offering insurance directly to customers over the phone. This pioneering approach eliminated the need for intermediaries, empowering customers with greater control over their insurance needs while streamlining the purchasing process.

One of the UK's largest insurance companies, with a diverse portfolio encompassing auto, home, pet, travel, and commercial insurance and employing over 9,000 people. **Vicky Wallis** joined the FTSE 250-listed business as Chief People Officer in 2020 and is very clear about the need for HR to be both strategic and commercial in how it partners across the organisation.

Here, **Vicky** outlines her views on the changing role of the HRD and how to ensure the people function is a driver of high performance.

BH: How would you describe the business environment at present? In what way is it affecting your role as Chief People Officer?

VW: It's a complex external landscape to navigate and that's across most sectors. Because of spiralling inflation last year and geopolitical uncertainties, you've got to be very astute and pivot very carefully with your strategy as an organisation to ensure you're weathering those changes. You've also got to take both the organisation and your investors with you.

From a CHRO or an HR perspective, we've had to be fleet of foot in this context and know how to change our strategy and agenda. We definitely saw that as an organisation; we had a very tough year

“ We expect more from our managers but have we really invested in them to help them perform those roles? ”

last year as business performance wasn't where we wanted it to be. My role as the CHRO and part of the ExCo is to adapt our plans to manage that.

BH: Where are some of the areas you've had to pivot?

VW: At the beginning of the year, we would have been discussing our DEI and talent agendas. Sometimes, they may stand to the side of the business agenda but, for me, when you're in a scenario where you're doing a turnaround, which we have done, those agendas don't go away. You've got to weave them into the core agenda. In our context of a turnaround, the business doesn't have the capacity to do standalone initiatives around talent, DEI or well-being, for example. So, what you've got to do is

weave them into the conversations that you are having with the business in a slightly different way. It's not that those agendas go away, but they will probably not have the standalone energy and effort put into them that they might in a less volatile environment. So, for example, when you're having talent conversations, you're linking it very much to the turnaround context and future business performance. In those conversations, you're ensuring you've got a good range of DEI representation.

BH: What's the role of the HR function in supporting leadership through the kinds of change you're describing?

VW: Penny James stepped down as CEO last January. We've had an interim CEO [Jon Greenwood] for the last year and [Adam Winslow is starting very soon]. So yes, there's been a lot of change at the senior level and, in parallel to that, there's been uncertainty in the context of the business. So, you've got to be careful how you navigate that to make sure people don't become destabilised by it.

As CHRO, you play a pivotal role in supporting and being an advisor to both the Board and the ExCo regarding how to carefully manage a turnaround and ensure that you retain key people in the organisation. It's also important to keep an eye on communication, stay clear on the plans you are putting together to execute the turnaround, and how you will ensure you keep everybody in the organisation on that journey with you.

You also need to keep the Board appropriately aware of some of the risks that might be emerging during such a period and what you're putting in place to manage and mitigate them. >



BH: What qualities do future HR leaders need to possess to drive high-performance?

VW: A high-performing HR function understands what's affecting the business and what people priorities will enable the business to succeed. It needs to be connected to the strategy and involved in the different definitions of that strategy – you then have to pivot, adapt and design a people strategy to support that.

Increasingly, I think data-driven and informed decisions are going to be key. So, HR needs to be more comfortable and confident in using data to make decisions. You must be trusted and strategic in your thinking and views. If you remain too operational, you're missing an opportunity.

As a leader, you have to be curious not only within the organisation but also outside so you understand what's going on in the external market. I think that both from an HR and a commercial perspective, you should be looking to bring that kind of external thinking into the business to help have the right discussions.

BH: How has your approach to leadership evolved with experience?

VW: When you first step into an HRD role, which for me was nearly ten years ago now, you still believe that you should be able to do everything. Then you realise you've got a very capable team around you. You need to allow and empower them to do

their jobs well by giving them the framework to work and also the flexibility to do and approach things in their own way. That's something that I have learned and embraced and it has been really powerful.

One of the biggest things I've learned in recent years is when you sit as part of an executive committee of an organisation, you've got your HR hat on, but you're also a member of that ExCo and it's part of your remit.

You need to come out of your silo of HR and operate more broadly.

BH: What are your areas of focus for the next 12 months?

VW: One of our priorities this year is around organisational change, which will always be a priority because the organisation is constantly morphing. With a new CEO coming in, there will likely be more change in terms of the way we're set up as an organisation.

We also have some fundamentals to focus on that go back to basics. We're investing in our people manager capabilities. From my experience and observations, we expect more from our managers but have we really invested in them to help them perform those roles? The answer is: probably not as much as we should have and I suspect many organisations are coming to this conclusion at the moment.

We're doing a programme of interventions with our people managers to give them the tools to do their jobs well. ■

19/09/24 VIRTUAL EVENT

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