

ARTICLE

Chief people officers in focus: Challenges and opportunities for new chief people officers in Latin America

The role of the chief people officer globally has expanded into a key strategic position in the C-suite. In Latin America, new chief people officers need to be resilient, agile, and curious—able to adapt global trends to their local context to create impact.



In an environment where more is at stake, more is uncertain, and more is expected of leadership teams, talent has climbed up CEO and board agendas. Around the world, we see chief people officers (CPOs) no longer playing supportive roles; instead they are becoming more strategic and central in executive decision-making processes than ever before. The role is fast-paced and requires sharp business acumen to help mold the organization's strategic goals, as well as a complementary people strategy. (See our article "[Chief people officers in focus: What new HR leaders need to know.](#)")

We talked to 30 CPOs from the Latin American region to explore the layers of nuance to the role in this part of the world. We heard the role requires careful balancing of global strategies with local priorities and issues. We also heard there is an advantage to living in a developing region because many CPOs in Latin America are already agile, resilient, and open to change.

Navigating regional nuance: What it means to be a CPO in Latin America today

As Latin America develops at pace to keep up with more advanced economies, so too does the need for CPOs with local knowledge and a deep understanding of the global trends shaping the people function. (See sidebar "Five trends shaping the CPO role globally" on page 3.)

Coming into Latin America from outside can be daunting, even for seasoned CPOs who have served in Europe or the United States. One CPO we spoke to admitted: "I had never worked in Latin America; my entire experience had been US-based. I felt overwhelmed—I was supposed to be the expert and lead the team; I had to work out very quickly how to save face."

Indeed, while many Latin America-based CPOs emphasized the advantage of international experience and how it can enrich one's knowledge, they also stressed that a CPO in Latin America must understand local cultures and business practices. For some, international experience has created a newfound appreciation for the energized local business environment: "Brazilian workers tend to be passionate about their jobs, are willing to work longer hours, and are keen to get involved," said one CPO.

On the other hand, there is still work to be done in the region to clarify the strategic potential of the role. One leader outlined this challenge succinctly: "I worked for a CEO who used to say that the CEO is one of the legs of the tripod bench, the CFO the second leg, and HR is the third leg. If one of those three legs is removed, the chair falls. HR is going to become that for most businesses. However, it will depend on how much ownership we have and how provocative we are in our field, because we have a lot of territory to gain and now we have to prove our value."

However, in certain countries, some CPOs are making real progress. "The recent labor reforms helped push the HR function to the center of the organization," one CPO in Mexico told us, adding: "It is now a more business-critical function for the organization on the basis of these new reforms and the financial impact it has on the business."

The changing status of HR in this region brings new opportunities for CPOs, and there are advantages to being a Latin American executive stepping into a CPO role in Latin America, where uncertainty is not new. Many Latin American CPOs we spoke to have already learned to be resilient to market and political volatility, are used to living with uncertainty, and are more prepared to navigate turbulent times as leaders of change. This agility gives CPOs in the region an edge over their global peers, and it can help them apply the best of global HR thinking and best practice with a local spin.

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Five trends shaping the CPO role globally

As well as regional aspects that require careful navigation, Latin American CPOs must grapple with the key trends reshaping the CPO role globally. Our conversations with CPOs across the world have revealed five themes regarding what it means to lead the people function and be a true strategic business partner today:¹

1. AI is driving the data agenda ever faster.
2. Younger workforces are demanding purpose-driven leadership.
3. Sustainability is rising up the people agenda.
4. Workforce planning needs to incorporate flexibility.
5. The well-being agenda is rising ever higher.

¹ Emma Burrows, Sharon Sands, Brad Warga, and Jennifer Wilson, "Chief people officers in focus: What new HR leaders need to know," Heidrick & Struggles, October 24, 2024, heidrick.com.

We also heard that companies' relationships with unions in Latin America are now more serious, professional, active, and democratized than before, further making a deep understanding of local trends a necessity for success in the position. Part of the particular challenge—and key to success for Latin America-based CPOs—is their ability to assess global trends, mold them to suit their specific context, or buck them where necessary.

Take hybrid working models, where clearly one size doesn't fit all. A CPO at a company in Brazil, for example, suggested and tested a hybrid working model that was flexible and open to individual employee negotiations, diverging from the parent company's "three days in office, two days remote" policy. Another example came from a different CPO who referenced that much of the knowledge in the profession is based on European and American understanding, which is why learning the language of stakeholders and employees is so important, instead of using global "HR speak." Other Heidrick & Struggles research reflects a similar message: HR leaders need to be able to communicate clearly with the business and stay away from technical or ambiguous language.²

When it comes to diversity and inclusion, there is a similar pattern of tailoring global policies to local realities, as while the diversity, equity, and inclusion (DEI) topics tend to follow global trends, they manifest differently in the region. Some female CPOs spoke of needing to establish credibility in male-dominated executive teams. On this, one remarked, "I didn't feel a lack of business knowledge because I knew so much about the company itself, but I have a gentle manner, and I had to learn to be tough."

Another CPO described how ensuring inclusivity is not always easy in the region: "Currently in management we have 47% female leaders, 30% racially diverse in general, and 20% Black people, but these people do not feel included or have a sense of belonging. We have to keep in mind that diversity should also be about perspectives and background."

CPOs should focus on their region and have conviction in their decisions: "The reason we work with DEI is to serve Brazilian society, and we can only achieve this by having the reflection of society in our staff. Our culture is one of consensus; we could hire everyone the same, which would be easier, but by hiring diversity, we have greater problem-solving capacity."

² Steven Krupp, Brad Warga, and Jennifer Wilson, "The next evolution of HR leadership: The connecting HR leader," Heidrick & Struggles, September 19, 2024, heidrick.com.

Advice for new CPOs in Latin America

In that context, the CPOs we spoke to in Latin America shared wide-ranging insights on what has helped them succeed, with some sage advice for new CPOs:



Choose your role and organization carefully: One CPO put an interesting spin on this for those taking on a new position—rather than the company choosing you, you should choose the company based on what you know about yourself. “When looking for a CPO position, make sure to choose an organization that aligns with your own values and goals. The CPO is the face of the organization both within and externally, and you want to be able to feel authentic in your role.”



Develop your relationships with the board and CEO early on: As the CPO role becomes a strategic one at the interface of business and people, the most important relationship for a CPO in Latin America is with the CEO, then with the board, and then with the rest of the leadership team. CPOs should develop these relationships as soon as possible.



Gain the trust of everyone in the company: Relationships with senior leaders are not all that counts in Latin America. Building trust across the organization requires “building credibility and transparency, so that people are sure you are going to present them in a neutral way,” said one CPO.



Develop a thorough understanding of the business, its goals, and its strategies: New CPOs must immerse themselves in the day-to-day business, as this CPO did: “I immediately visited all businesses in all the countries and learned a lot from the country directors.” Or, as another CPO simply said, “You can’t talk about the basement if you don’t go down into the basement.”



Back up all strategies and suggestions with data: On this topic, one CPO said, “You have to provide evidence that you are making an impact. It’s necessary to be prepared to take the discussion to a more strategic place. If your viewpoint is substantiated, it is more credible.”



Have the courage to make tough decisions: Many CPOs hold confidential information and have to make difficult decisions, sometimes with little counsel or advice. This requires courage—as one CPO put it: “The CEO can have no doubt that you are telling him or her the truth, even if it’s a truth they don’t want to hear.” For example, the CPO might need to negotiate a directive that comes from global headquarters, but with which the regional CEO doesn’t agree. Or the CPO might feel the need to amplify the voice of the workforce in the leadership team on matters where there are significant differences of opinion.



Adapt global trends and buck them, if necessary: “Don’t follow the benchmark just because it is the benchmark,” said one CPO. “If you really know the business, create the benchmark.” This is important advice for CPOs in Latin America where many benchmarks are set against a European or US backdrop: “Ideally, I wouldn’t advise you to follow a practice just because you understand that it’s a trend. You need to develop a sense of perspicacity to understand your scenario, the practices that fit your reality.”



Build networks to broaden perspectives and solutions: Formal and informal networks of peers and external experts can prove invaluable for first-time CPOs: “I created an internal network in the corporation to understand the culture and programs and then went to the market to have an external support network. I didn’t try to solve everything myself,” shared one CPO. Another said she relied on “people [she] trusted in the market to be a sounding board, sharing questions, challenges, testing different pathways [she’d] thought of.”

Latin America offers unique challenges for individuals stepping into the CPO role, but CPOs working here also have the opportunity and freedom to carve out powerful, more effective leadership roles that marry the best of HR globally with the energy and dynamism of the local business environment. They can learn from their global peers and best practices to evolve their role and influence into a strategic position on par with the CFO, as we see in many companies around the world. “Experimenting with the new, taking risks, bringing in talent, diversity, [and] different generations. There is no recipe,” said one. “We have to discover and evolve on our own through trial and error by being brave in making the decision to take the first step.”

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Human Resources Officers Practice

We partner with organizations to identify strategic human resources leaders who are prepared to lead and create high-performing organizations. We identify and assess HR leaders with the business acumen, strategic and market insight, financial savvy, operational capabilities, and ability to harness data and technology to drive business success. These leaders must be culture shapers with the foresight, resilience, and adaptability to drive transformative change in organizations through strategic talent management.

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