

Risk, Strategy and People

An Interview with Laurie Ledford,
Senior Vice President and Chief Human Resources Officer, Marsh & McLennan Companies, Inc.

EDITORS' NOTE Laurie Ledford is responsible for Marsh & McLennan Companies' overall human capital and talent strategy and the delivery of human resources services to all of its colleagues worldwide. Prior to her current role, she served as Chief Human Resources Officer (CHRO) for Marsh Inc. Ledford joined Marsh in 2000 and was named CHRO in 2006, after having served as Senior Human Resources Director for Marsh's International Specialty Operations. Her prior experience was with Citibank and NationsBank.



Laurie Ledford

COMPANY BRIEF Founded in 1871, Marsh & McLennan Companies (*mmc.com*) is a global professional services firm with two operating segments, Risk and Insurance Services and Consulting, comprising four major businesses – Marsh, Guy Carpenter, Mercer, Oliver Wyman – each a global leader in its field. With more than 75,000 people globally and revenue approaching \$17 billion, it is a Fortune 250 company.

In a highly competitive industry, what sets Marsh & McLennan apart?

It's the talent. We think about ourselves being in the domain of risk, strategy, and people. We don't make things. We create ideas. We create solutions. We help our clients address their greatest opportunities and their most difficult challenges. You can't pick up a newspaper and read about an issue that a part of our business doesn't somehow address. This is meaningful work. And it enables us to attract people who are not just skilled at what they do, but have a passion for the work they do.

It is really about the talent that the organization is able to attract. The culture of the company is highly collaborative and client-focused, with colleagues working in teams who genuinely care about each other and are willing to help each other.

There is a unique, creative, caring and collaborative culture here that delivers results for our clients.

How has the HR role evolved and how deeply engaged is the role in business strategy?

I can't do my job if I'm not focused on what the business is trying to accomplish. I've been in the HR world a long time. In the past, the depths of specialty in HR were much shallower. It was more administrative. You were more of a broad generalist, sometimes with a fairly shallow specialty.

The real epiphany for the HR function was that it had to understand the business, because what works in one organization won't necessarily work in another. It is also all about a point in time; what we needed ten years ago isn't what we need today. Nobody talked about digitization ten years ago. There are still universal issues that are the same like developing strong leaders, which has been a universal thread and I think always will be, but yet the skill sets that our colleagues need are tied to what the business strategy is. So

when HR executives became attuned to the fact that they needed to understand the business first before they could ply their trade and specialties, it really elevated the role of the human resources professional.

How does Marsh & McLennan work to ensure it recruits and retains diverse talent and fosters inclusion?

We're a large, complex, global organization. We're in 130-plus countries with 75,000 employees and multiple businesses. Navigating a company like Marsh & McLennan can be challenging. We strive to create the type of inclusive environment where people feel welcomed and accepted when they get here and they feel that they can ask questions, that they can speak up.

We focus a lot on both inclusion and diversity. We know that diverse teams deliver better results. But it's also about inclusion – and not just who is in the room, but who is at the table.

As a company, we have four commitments that define how we deliver on our purpose, one of which is "finding the smarter way." That requires a culture that embraces diverse points of view. Our CEO, Dan Glaser, puts it this way: "there is no innovation without dissent." We believe this diversity of experiences and thinking drives innovation.

We put a lot of emphasis now on international because half of our business is outside of the U.S., so we look to have leaders who are multicultural. We are also putting more emphasis on the movement of leaders across our businesses and across our geographies.

Moving people across our businesses has been incredibly positive. These colleagues bring a whole new perspective to their new position. We often say that you can have multiple careers here. We think that's a real hidden gem for us in attracting and retaining talent and it helps foster a level of diversity for the organization.

Fifty-four percent of our colleague base is female. The challenge is making sure that women, and ethnically and racially diverse colleagues as well, are promoted at the same level and are rising through the organization at the same pace as their white, male counterparts. These are the kinds of things we study extensively and then we look at the policies that need to be created to foster greater equity. So, there is a lot that we are doing to make sure that our organization is diverse and inclusive, but it is a journey. By no means do I think we're done.

How important is being a purpose-driven company to attracting and retaining talent?

Purpose is more important today than it's ever been. We define Marsh & McLennan's purpose as making a difference in moments that matter – for our clients, our communities and the larger society that surrounds us. That's reflected in our work for clients around the world, and also in our citizenship work as a company, focused on volunteering. We give all colleagues a paid day off to volunteer and encourage teams to join volunteering efforts together. Last year, colleagues contributed well over 220,000 hours to nearly 4,000 nonprofit organizations. That's meaningful to people coming into the organization. Candidates interview us to gain an understanding of what we do from a citizenship perspective.

Our board is incredibly engaged as well. There's a corporate responsibility committee at the board level that is very active in helping us think through our CSR efforts. We recently established an ESG committee at the company level to bring greater focus to each of these three critical criteria that have become increasingly important to investors and talent, alike.

What has made the HR profession so special for you?

I actually have an undergrad degree in human resources, but after working about 18 months, I realized I didn't know enough about business so I went back for an MBA. I have always worked for organizations that clearly understood that people make the difference.

When I came here, this felt even more like the perfect fit because of the talent aspect of all of our companies. It's as exciting today as it was 40 years ago when I started. In the right organization that really values partnership, like Marsh & McLennan, this is a profession that adds a tremendous amount of value. ●