The 2024 Chief People Officer Survey Report

Insights from people leaders working across the high-growth space.

elevayte x FOUNDERS KEEPERS

Introduction/Exec Summary

The 2024 Chief People Officer Survey Report offers a comprehensive look into the priorities, challenges, and strategies shaping people operations across the world of high-growth ScaleUps. Drawing insights from dozens of CPOs, the report explores key themes such as leadership development, talent retention, and the emerging role of AI in people strategy.

Key Highlights Include:

- **Leadership Development Under the Microscope**: While **85% of companies** plan to invest in leadership programs next year, fewer than **50% measure ROI effectively**, creating a gap between investment and impact.

- **The AI Divide**: Only **35% of CPOs** actively use AI in their people strategies, but those who do report measurable benefits, including reduced time-to-hire and improved decision-making.

- **Retention vs. Attraction**: As companies grow, **40% of CPOs** cite retention as their top priority, signalling a shift from hiring to nurturing internal talent.

- **Executive Alignment is Key**: Businesses with higher executive engagement in leadership development are **20% more successful** at retaining top talent.

- **Market Expansion Requiring New Leadership:** Of companies planning to hire into their Senior Leadership Team, **50% link this decision** directly to expansion into new geographies.

This report not only benchmarks the current state of people strategies across scaleups but also uncovers actionable insights to help organisations thrive in 2024 and beyond. Dive deeper to discover how your peers are tackling challenges and preparing for the future.

As we looked at the details, four key themes emerged throughout the survey.

01 Leadership Development & Capability Building

02 Cultural Transformation & Engagement

03 People Strategy and Organisational Development

04 Performance and Motivation

These areas emerged as pivotal in high-growth businesses. At both Elevayte and Founders Keepers, we've seen the impact of solving these challenges with our clients. Whether it be building world-class leadership teams or having the right people at each step of the journey, the ROI of solving these challenges is hard to overstate.

Companies that successfully develop high-performing leaders, foster engaged cultures, align people strategies with business priorities, and maintain high performance standards will likely emerge as next-generation of market leaders.

Key Insight:

Series A companies overwhelmingly prioritise talent attraction (45%), while Series C and later focus on operational resilience and profitability (55%)—a clear shift as companies mature.

So, Let's Dive In!

1. Leadership Development & Capability Building

Leadership Development & Capability Building

85% of Chief People Officers are looking to develop their leaders over the next **12 months**. The fact that ''**successful individual contributors are typically promoted into leadership roles''**, often without the ''**traditional pathways for development of more established businesses''** and the need to deliver ''**smart development programmes''** was a recurrent theme throughout.

Key Insight:
Companies spending less than £5,000 annually on leadership development are 3x more likely to face unplanned leadership gaps, especially during periods of rapid scaling.

Key Insights:

› **Leadership Maturity:** Many respondents emphasised the need for programs that develop leadership maturity to help leaders navigate constant change. Key targets for development included; Accountability and Ownership (72.5%), Feedback (56.5%), and Strategic Acumen (47.8%). Building trust and collaboration were also noted, with 40.6% and 33.3% respectively, highlighting the need to cultivate leadership skills that drive both individual and team effectiveness.

› **Cost-Effective Development:** Budget constraints were a recurring concern, with 45.9% of people leaders citing resource and budget constraints as a significant challenge. Additionally, 46% companies focused on hitting revenue and profitability goals, highlighting the changing landscape of the high-growth space and the need to balance capability building with budget limitations.

› **Empowering Senior Leadership:** Engaging senior leaders to take ownership of strategic decision-making is crucial, especially in scale-ups. With almost half (47.8%) of respondents wanting to ensure strategic leaders have a clear view of how their roles shape and enable the strategic goals of the business, the need for a high-performing layer of execs and VPs was clear.

2. Cultural Transformation & Engagement

Respondents emphasised that culture must align with evolving strategic priorities and goals to effectively drive transformation, with 41% of participants highlighting culture, engagement and performance as being a key topic they'd like to discuss with other people leaders.

Challenge:

As companies scale, evolving and reshaping the organisational culture becomes complex. High-growth companies report that restructuring and tight financial periods are common triggers for cultural transformation.

Key Insights:

Embedding Values:

Leaders highlighted the need to intentionally embed core values in day-to-day work, with 60% of companies prioritising retention over attraction in today's competitive talent market. Leaders face the challenge of embedding these values without diluting the core mission.

Sustaining Engagement:

Retaining and motivating employees during financially challenging times is crucial, with 45.90% of respondents citing resource constraints as a challenge.

Driving Cultural Change:

Embedding culture as a priority through structured programs and initiatives is essential for consistency during rapid change. Leaders again emphasised the need to align new values with strategic priorities and goals.

Recommendation:

One respondent highlighted that including value-driven behaviours in performance reviews helped align culture with measurable outcomes and embedded values into performance metrics

3. People Strategy & Organisational Development

With just over 50% of respondents identifying the need to retain their best people and increase performance across the business as being a top priority. Several leaders commented that "maintaining morale" and addressing "low motivation" along with a perception of a "lack of internal mobility" after "restructuring" were key challenges for leaders to solve when thinking about retention and performance.

Challenge:

01 Aligning people strategy with overarching business priorities—especially revenue and profitability—is essential as high-growth companies seek to balance financial sustainability with rapid scaling.

02 With a persistent theme emerging of needing to "do more with less" and a feeling of "always making trade-offs", ensuring the right strategies are in place was a critical challenge for 34% of respondents.

Key Insights:

› **Revenue-Aligned People Strategy:** With 46% of companies focused on profitability and hitting growth milestones, People strategies must support these financial objectives directly. Developing leaders who can make financially sound decisions, ensuring talent density metrics are met, and being able to provide clear succession plans were amongst the top objectives in this area.

› **Organisational Structure and Growth Planning:** Regular assessments of organisational structure help ensure alignment with business objectives. Adjustments may be necessary to support growth initiatives or achieve metrics critical for fundraising.

› **Market Readiness and Scalability:** Balancing fast-paced scaling with careful planning is essential to ensure the organisation's readiness for broader market expansion or hitting growth milestones. With 14% of companies highlighting market expansion and market leadership as the #1 business objective.

Additional Insight:

For companies expanding into the US or APAC, operational challenges and cultural integration are cited as bigger barriers than recruitment, highlighting the need for a clear people strategy in addition to traditional Go-To-Market and Product strategies.

Top Strategic Business Priorities:

Respondents highlighted key areas of strategic business focus, including

Revenue and Profitability Goals	**(46.03%)**
Product-Market Fit and Innovation	**(17.46%)**
Operational Efficiency	**(15.87%)**
Market Expansion and Leadership	**(14.29%)**

4. Performance & Motivation

Challenge:

High-growth companies need performance management processes that foster clarity and motivation, particularly when growth steadies or shifts, which can impact engagement.

Key Insights:

High-Performance Culture:

While **60%** of companies report lacking a clear, company-specific definition of **"high performance",** this area remains critical for driving alignment with strategic goals. Additionally, **25%** of respondents identified creating a high-performance culture as a key focus area.

Performance Led Leadership:

Companies with higher executive engagement report a 20% higher success rate in retaining top performing leaders compared to those with lower engagement highlighting how critical the executive are to performance and motivation.

Additional Insight:

Although only 6.35% of respondents highlighted "People and Talent Focus" as a strategic top line ''business'' priority, investing in performance and motivation is the lynch pin for companies aiming to achieve these ''business' outcomes whether it be profitability, product market fit, or market expansion.

Recommendation:

Establish a specific, company-wide definition of high performance to unify teams and set clear expectations. With 60% focused on attracting and retaining talent, defining high performance helps ensure retention aligns with company values and allows a clear pathway for development at different levels of the business.

Bonus Insight: AI in the people space

35% Of respondents highlighted that they had already implemented tools with the vast majority highlighting daily or regular use of ChatGPT.

50% Of respondents highlighted that they were considering implementing ai-led tools in their day to day people practices. Whilst only **15%** were not currently considering adopting AI.

Answers highlighted the use of AI as relatively new and immature with no established best practices. However, this is likely to evolve in future with most people leaders considering implanting AI tools

Conclusion & Key Takeaways

High-growth companies face distinct People-related challenges that require thoughtful alignment between leadership, culture, strategy, and performance management.

Addressing these priorities across the four focus areas—Leadership Development, Cultural Transformation, People Strategy, and Performance Management—can foster resilience, engagement, and sustainable growth.

To support these objectives, People teams should prioritise:

Cost-Effective Leadership Development: Invest in scalable leadership programs that build accountability, feedback, and strategic skills in an accessible format.

Strategic Cultural Initiatives: Embed company values into daily operations and performance metrics to reinforce culture as the organisation scales.

Revenue-Aligned People Strategy: Design People strategies that directly support financial objectives, balancing growth with efficiency.

Meaningful Performance Management: Establish clear, motivating performance metrics that drive high engagement even in non-hyper-growth phases.

Companies that can focus on high-impact, cost-effective people strategies and prioritise long-term, revenue-aligned people goals will be better positioned to meet these demands.

Elevayte help scaling businesses develop world-class, high-performing, leadership teams and are offering free consulting calls on how to create high impact leadership development and coaching programmes
Get in touch with:
burju@elevayte.co to find out more.

If you'd like to hire the most impactful senior leaders for any stage of the high-growth journey, Founders Keepers can help.

Get in touch with:
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Thanks for Reading From the Elevayte & Founders Keepers Teams.

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