

DJ Casto



# "The Best HR Leaders Don't Worry About Their Swim Lanes"

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**DJ Casto**, the chief human resources officer for **Synchrony Financial**, shared his key leadership lessons with me and my colleague, **David Reimer**, CEO of **The ExCo Group**.

Reimer: How did you get into the HR field?

Casto: My undergrad was in accounting, actually. I'm the first generation in my immediate family to go to college, and my uncle was an accountant. He was a role model for me, and I thought it was going to lead to a good job. But when I graduated and had a couple of job offers, I realized that accounting was not what I wanted to do for a living.

I looked into doing a master's degree in HR and met with a professor who had worked at Dow Chemical many years earlier. It was a terrific conversation where he started to unpack HR for me and the type of work it involves.

And he told me that the combination of degrees in accounting and HR would allow me to be a really good business partner. HR, to me, is that sweet spot in corporate America — every day, you can advocate and help someone, and help connect dots to move the business forward.

Bryant: Connecting dots is a big part of helping to drive transformation. How do you

#### think about HR's role in those efforts?

Casto: The pandemic has provided a great example, because it has allowed us to accelerate a lot of the transformations that we were planning, including changing the way we work, particularly around becoming more agile.

With agile, you throw your traditional role clarity out the window and put great leaders together to solve the problem of the day. You have a backlog of a lot of other things you're doing, of course, but you bring the collective IQ and EQ of the leadership team together to help meet a particular challenge.

When we started to discuss changing the way we work, we assembled a cross-functional team. I was the leader, but it wasn't like I was the HR leader. I was just a leader coming with a very specific perspective, and I think the best HR leaders don't worry about their swim lanes. They're just part of the leadership team helping to navigate the business priorities.

#### Reimer: Talk more about how you moved from the theory of agile to execution.

Casto: One example is that when the pandemic hit, our CEO, Margaret Keane, shifted from a weekly leadership team meeting to a daily huddle. It was 30 minutes, and we just focused on the two or three things that we needed to solve for. What are the decisions we have to make today? Then we would come back the next day to discuss progress. Margaret reshaped how we were operating as an executive leadership team, and that spread through the entire company.

I adopted the same approach within the HR function, and it was exciting. I saw more creativity and innovation from my teams. They're exhausted, but our work is not so process-driven anymore. It's about responding to the immediate needs and then flexing our priorities to be focused on the most important thing at that moment.

### We have sharpened our focus on the priorities that matter most.

If we're honest with ourselves, we cannot all be running at this pace for the long term. But we have sharpened our focus on the priorities that matter most. Early on, Margaret said, "How do we leverage this pandemic so that when we come out of this, we are stronger and better and can compete and win more?" Saying that in the first couple months set the tone for solving for the short-term and also doing things to invest for the long-term.

Bryant: Many companies are taking a fresh look at their succession planning and their leadership pipeline, in terms of the qualities and attributes that matter most in future leaders. Have yours changed?

Casto: We did work about a year ago before the pandemic on the leadership attributes we want Synchrony leaders to have. Resiliency is one, and another is about elevating every day. It's about enterprise-wide thinking and your ability to step out of your silo and think more broadly about the company's goals. We didn't need a simulation to assess people, of course,

because the pandemic was our simulation.

### Reimer: When you're interviewing job candidates for your team, what other qualities do you look for?

Casto: I look for courage because if you think about the role of HR, we should never forget we're the advocate. We always talk a lot about being the business leader in human resources. You want to understand your P&L, you want to understand how you make money, you want to be able to speak the language to your business partners so that you can have the right level of discussion to be able to move the business forward.

But we don't need another finance leader. We don't need another marketing leader. We need a human resources leader who is going to the champion for employees. It's about having a genuine desire and passion to help someone succeed.

That's what makes a good HR person. It's really about coaching, and that falls into three categories: performance-management coach, life coach, and talent-assessment coach. The goal is to help them harness their superpower to be really successful.

### Bryant: So many of society's problems have rolled up to the front door of companies to solve. What role should companies play?

Casto: All companies have gone through a cultural stress test over the past year. We all had to take a step back and ask, how did we lead with our values? Were we anchored to our mission? And this is why values are more than just words on a page or on a wall or a part of Day One orientation. This is where words matter and actions need to be connected to those words.

## All companies have gone through a cultural stress test over the past year.

One thing we have heard from some of our employees, particularly after the election, was that they just want to come to work to work. If the company is saying that everyone can bring their full self to work, then some people also are saying that they just want to show up and do their jobs. It's not that they don't care about their colleagues or some of these broader challenges in society, it's just that they don't want to talk about it.

For us, the balance is around engaging employees appropriately so that you're creating an environment for everyone. So we're creating more forums in which people can opt in rather than being forums for everyone. And we've heard a lot of positive feedback from employees about that.

#### Reimer: Earlier in the conversation, you mentioned the importance of courage. Where did courage come from for you personally?

Casto: For me, it complements authenticity and vulnerability. You're more vulnerable sometimes when you have more courage. For example, that allows you to admit that you

don't know the answer, and that you have to do more work on it. Courage is providing real talk, real answers, and less corporate-speak, and just being honest with people.

I saw it in my family. I grew up with really hardworking parents from West Virginia. Most of their lives, they worked two jobs. My mother worked at a contact center for Waste Management until she got laid off. And then she worked at the Department of Health and Human Resources helping people with welfare benefits. My father was a salesman. I just always appreciated how honest they were with my sister and me.

#### Bryant: Where does your drive come from?

Casto: Sometimes you're born with some of those things. I've always had a lot of energy, which I translate to passion. Life is too short not to be focused on things that are meaningful. I really enjoy my work. I get to be a part of and support how we're thinking about the future of this business. I am talking to our CEO and our president multiple times a day.

I use the 80 percent rule, which I share with my team all the time: If 80 percent of the time you turn out your light at the end of the day and you say, "I had a good day, I made a real impact, I'm focused on good work, I helped someone," then life is good.