

[A LETTER FROM VALERIE]

Who Moved My...Well, Everything?

Dear Friends:

It's like hearing the starting gun and scurrying through the maze toward the cheese—but now you're blindfolded, your legs have been tied together, the walls have been rearranged, and the cheese has been replaced with tofu. This isn't an easy problem to talk about, but talk about it we must, because it's a common complaint and it seems to be getting worse. Yes, it's a brave new world out there in Corporate America in Q108.

In general, three factors seem to be making things more complicated (or, for those who really like to be challenged, more interesting) these days: 1) the sagging economy; 2) the fallout from all the M&A activity late last year, as well as the noise surrounding potential new deals like Microsoft/Yahoo!; and 3) the ever-increasing amount of CEOs, General Councils, and CFOs who think that they are really VPs of HR. Two recent CEO confidence surveys highlight the confusion in the marketplace these days. The one I most trust, from leading CEO member organization Vistage, shows that the vast majority of CEOs across the country think that we are already in a recession, yet most of them also say that they're still planning to increase headcount this year. These results jibe with a local survey conducted by the Bay Area Council, whose quarterly confidence index just fell to the lowest level ever recorded (38 vs. 39 at the height of the dotcom bust), but also still shows more companies planning to add headcount than downsize in San Mateo county this year (31% hiring vs. 15% planning layoffs).

What I'm hearing is this: HR executives and CEOs are telling me that their mandates and goals haven't changed—they still have Herculean tasks to accomplish on tight deadlines—but the rules of the game have. Some are being forced to make do with the wrong players. (You don't like that new Director of Compensation who came along in the acquisition? Tough luck—you're stuck with him!) Others are dealing with scorekeeping methods that defy logic. (Sorry, I can't give you that permanent headcount—but feel free to hire a contractor for 50% more!) Still others, like Charlie Brown lining up for a field goal, are having the ball pulled right out from under them. ("Hey, that new hire was supposed to be for my department!")

So what kinds of people/strategies are likely to be most effective in this new game where the rules, resources, and referees are constantly changing? In my opinion, it all comes down to two things: communication and execution. Are you able to keep lines of communication open with all the relevant stakeholders and reach an understanding with C-level execs and other potential meddlers? Are you willing to clearly spell out what you need and keep negotiating to make it happen? Can you get the job done while keeping a smile on your face? All of these traits are encapsulated by the words of someone I spoke to recently, a very successful VPHR who's a master at navigating these sorts of waters: "I never say 'no' to my CEO—I just tell him how much it will cost."

But like I said earlier, this is a topic that merits plenty of discussion, and discussion is a two-way street. You've heard my take; now I'd love to hear yours. What new rules are you facing in this quickly changing game? What tactics/tricks are you finding particularly effective? What pearls of wisdom do you have for others in the same position? E-mail me at Valerie@vfandco.com and we'll share your thoughts (but not your identity) in an upcoming issue of the newsletter.

This month we'd like to thank Linda Kellogg of Start-Up Resources for her friendship and referrals.

Take care,
Valerie

Ask Valerie

Valerie:

What's up with the economy? Has the pool of HR candidates opened up?

-Just Wondering

Dear Wondering:

It's like the weather in San Francisco: sunny in some spots, foggy in others—and if you hang around long enough it'll change. Generally, it's safe to say that most companies are becoming less patient with their poor performers, many are shifting around their R&D centers and other resources, some are doing layoffs, and everyone's still fighting to hire and retain the best.

Dear Valerie:

With the sluggish economy, the dollar at an all time low, and a number of companies downsizing, is compensation in the U.S. going up or down?

-Country Manager

Dear Country:

As much as Jim Collins would like to say that "... winning the war for talent doesn't mean lavishing big stock-option packages on every self-impressed MBA or Java programmer you meet," it actually does at least mean being able to fling big bucks at good people (and fling more at them regularly). BTW, enough about the depressing U.S. dollar, OK?

Dear Valerie:

I'm founder and CEO of one of the hottest companies in our space. My HR person just quit, and two of his direct reports did too. Don't they know how hard it will be for them to find new jobs and how bad this will look on their resumes? What else could I have done to retain them besides pay them more (than they are worth)?

-Back In The Saddle

Dear Saddle:

We just conducted a survey of senior-level HR executives who recently quit their jobs, and what they said about what their CEOs should have done differently might interest you. Here it goes:

- "Create stronger linkages between HR and the rest of the business."
- "Pay more attention to issues raised by HR, and consider them as being important to helping the business be successful."
- "Walk the talk and demonstrate that people truly are the most important asset."
- "Highlight HR successes and communicate the overall value of HR to the rest of the company."
- "Have HR report directly to the CEO. CEOs who say they don't have the time or bandwidth to take on the HR function are grossly underestimating the value of their people."

- “Make HR people feel confident about the company with policies and programs that are truly employee-centric. They’ll feel good about developing and deploying these policies, which will give them a strong sense of job satisfaction (provided they are rewarded appropriately).

-Valerie

Current HR Opportunities

HR Executive Searches

Senior Director of Human Resources (Palo Alto, CA)

International mobile technology and networking company seeks a highly strategic person for its world-renowned research center. Email your resume in MS Word format to recruiting@vfandco.com.

Talent Acquisition Leader (Sunnyvale, CA)

A publicly traded microprocessor and graphics chip designer is seeking a Talent Acquisition Site Leader to work from their Sunnyvale offices. Email your resume in MS Word format to recruiting@vfandco.com.

Director of Mergers and Acquisitions (San Jose, CA)

Large international contract manufacturer looking for a leader in Mergers and Acquisitions to lead all strategic integration and due diligence on a global scale. Email your resume in MS Word format to recruiting@vfandco.com.

Vice President of Human Resources (Menlo Park, CA)

Rapid-growth, private bio-tech company. Email your resume in MS Word format to recruiting@vfandco.com.

Vice President of Human Resources (Irvine, CA)

Publicly traded enterprise device networking company head quartered in Southern California is seeking a leader for their global Human Resources function. Email your resume in MS Word format to recruiting@vfandco.com.

Vice President of Human Resources (Santa Clara, CA)

Global, publicly-traded, Semiconductor company needs top HR executive to oversee worldwide operations. Email your resume in MS Word format to recruiting@vfandco.com.

Senior Director of Human Resources, Americas (San Jose, CA)

8,000-employee semi-conductor company. Email your resume in MS Word format to recruiting@vfandco.com.

Specialist HR Executive Searches

Director of Global Sales Compensation (Austin, TX)

Large, leading developer of microprocessors with facilities worldwide. Email your resume in MS Word format to recruiting@vfandco.com.

Compensation Analyst (San Jose, CA)

Top, global hardware company. Email your resume in MS Word format to recruiting@vfandco.com. .

Executive Compensation Manager (San Francisco, CA)

Successful growing software and programming company seeking manager of Executive Compensation. Email your resume in MS Word format to recruiting@vfandco.com.

Compensation and Benefits Manager, EMA (San Francisco, CA)

Accomplished, international manager of compensation and benefits needed to partner with EMA managers and executives to develop and implement compensation and benefits strategies and initiatives. Email your resume in MS Word format to recruiting@vfandco.com. .

Senior Compensation Analyst (San Francisco, CA)

Technically savvy, senior compensation analyst needed for this 3,000 employee, growing global software company. Email your resume in MS Word format to recruiting@vfandco.com.

Industry Events

Private HR Executive Dinner

March 25th 2008, 6:00 pm – Downtown Los Angeles, California

VF&Co is hosting an HR Executive dinner the night before the LA HR Star conference. Guest panelists speaking on the topic of the HR Business Partner the next day will be present as well as other key LA HR Executives. This invitation-only dinner is a great opportunity to network and discuss hot HR issues.

LA HR Star Conference

March 26th 2008, all day - Los Angeles Convention Center, California

This year's agenda features 17 different sessions on a wide variety of timely and pertinent HR topics. Such sessions include: The Business of Ethics: Why Smart People Sometimes Do Dumb Things (The Keynote Address), When California and Federal Leave Laws Collide, and Award-Winning HR Lessons from Working at the Emmys. Please register directly on the HR Star Conference website. At this conference, VF&Co is hosting a luncheon panel on the topic of the HR Business Partner role.

NCHRA “The Nuts & Bolts of Reductions-In-Forces “

March 27th 2008, 9:00 am to 4:30 pm - Santa Clara, California

What resources can help you through the process? How do you calculate severance packages? How can you reduce the risk of litigation? How do you deal with emotional fall-out among survivors? In this highly participatory session, Valerie Frederickson and a team of specialized consultants will discuss best practices for managing workforce reductions.

All about Private Equity

End of March, 5:00 – 7:00 pm – Menlo Park, California

Kevin Scott, Partner at 3i Group, a world leading private equity and venture capital firm, will discuss the ins and outs of private equity.

The CEO's Perspective on HR

April 23 2008, 12:00-2:00 pm – Silicon Valley, California

What is the CEO's take on HR? What do they expect from their VPHR? What qualities do they see as critical for a successful HR leadership role? At this informative and highly participative lunchtime event,

Valerie Frederickson will host a panel of CEOs as they discuss the CEO's perspective on HR and the HR executive.