[A LETTER FROM VAL] From Downsizing to Recovery?

Dear Friends:

The economy is slowly but surely getting back on its feet, and though it's not quite showing up in the unemployment figures yet, many economists expect job growth to kick in by the middle of 2010. In HR, based on the anecdotal evidence I'm seeing and hearing, things seem to be picking up even sooner.

Good news, right? Not necessarily. You probably have done a lot of strategic planning for 2010, but key staffers could very well have strategic plans of their own. Like taking advantage of the pick up in hiring to go out and find new jobs. So if you're not already worrying about whether the right people are going to stay on your team to help you hit all those short—, intermediate—, and long—term goals...well, you should be.

More than 15 years ago, three of my friends published a book on the subject of getting back on track after layoffs. In fact, they used the same title that I'm using for this newsletter. At the time it was considered cutting edge, and complemented the research David Noer conducted for Healing the Wounds, his book about "overcoming the trauma of layoffs." While a lot of his advice was touchy–feely—stuff like renegotiating the unspoken employer—employee contract and conducting survivor therapy sessions—a lot of the issues they were dealing with in the mid—'90s are the same ones we're facing now, in spades, as we come out of the Great Recession.

So what are the problems that could prevent you from having the bounce—back year we so desperately need in 2010? In a nutshell, it all stems from the fact that the last couple of years have been brutal; everybody is burned—out and PO´d and desperately yearning for some sort of change. And I do mean everybody: top performers and malcontents, executives and assistants, CEOs and CYAers. Here, based on my research with our clients and others, are the major issues facing most companies today, and what you can do to turn the tide.

- 1. Lack of trust in management, and not just from the rank—and—file. At some companies, employees have heard "We promise this is the last layoff" one too many times, and have, not surprisingly, become cynical. HR, meanwhile, has been none too happy about having to make these hollow promises time and again. As a result, folks at all levels are now looking at executive teams with a lack of confidence that management can successfully lead them forward. This is causing an uptick in the amount of "passive" job seekers we're seeing—but really I'd call them passive—aggressive, because they're passively working at their current jobs while aggressively pursuing new ones.
- 2. Lack of trust by management, and not just toward the rank—and—file. Dwindling faith seems to be a two—way street, with executives increasingly pointing fingers over HR's inability to think strategically. And they're not in the mood to hear any more excuses, no matter how valid. As one of our clients recently put it, "I don't care how many hours they're having to work or how much responsibility they have. They're going to have to become more strategic or I'll change 'em out." This is part of a widening and self—fulfilling chasm between HR professionals who want to have more strategic impact and are being held back by their VPs, and VPs who are complaining because their HR teams are not more strategic and don't seem to understand why their HR teams are unhappy.
- 3. Key contributors are getting cut out of strategic planning and decision—making, and they don't like it one bit. With management scrambling and everybody spread thin, more major decisions are being made leaning sideways in airplane seats or over room—service meals than ever before. And, with executive

teams necessarily spending more time on the road pitching equity investors, negotiating financing, and even closing sales themselves, they have little time to spend selling their strategic plans and getting buy—in from the General Managers and High Potentials—who as a result are feeling left out and isolated, and are now ripe for the picking by rapid growth companies in hiring mode.

4. Teams have become lopsided from the single—minded focus on productivity. Yes, it's great to have a bunch of hyper—maniacal productivity robots programmed to focus exclusively on getting things done. But someone has to be able to step back and look at the bigger picture. Productivity is not just people running around doing stuff, but also knowing the right things to do and executing on a brilliant—yet—flexible strategy. In many cases, stripping things down to the bone have left teams with too many doers and not enough thinkers.

So, what should you do about all this? Here are some thoughts.

- 1. Work to re—establish trust with honest, humble, self—effacing communication delivered by top leaders. Can't get management to go along with this? Join the masses of passive job seekers I mentioned above. But seriously, visibility and availability will go a long way toward healing these wounds. Help the busy leaders in your organization by prepping these messages for them and practicing with them. This is a great way to add value, by the way, because few leaders really know what to say or have the time to put it together.
- 2. Gain more control by giving up control. This is for the HR global team leaders. Let your teams learn how to facilitate strategic planning. Fight some battles for them for a little career development. Let them fly to Israel for that big engineering meeting. Change your internal model from blaming to supporting them in some way. Push your VPs and GMs to allow their HR Business Partners to participate and contribute more meaningfully. At the VP level, it's not about you, it's about your team, so give it up and let them succeed.
- 3. Plan the process of making a plan. If you want people to buy in to your strategies and goals for the coming year, you need to make sure they feel pride of ownership. The best way is to actually let them play a meaningful part in the strategic planning process. Failing that, you need to at least loop them in early and sell them in such a way that they feel like they played a part in it.
- 4. Take a deep breath. It's exhausting and counter–productive to have so many people be so productive for so long. What ever happened to sitting around and thinking? Take a few minutes off from doing your own spreadsheets and PowerPoints and think about what is missing, and who is missing, from your teams. What points of view are you no longer getting? Which critical soft skill sets are under–represented?

Of course, if you don't want to work your way through these challenges all by yourself, we're here to help. We can brutally assess your team and its gaps and help you to fill the holes with a few key new hires hand–picked for their skill–sets and personality attributes. We can also teach your HR people to think strategically in spite of Herculean workloads, and maybe even convince your boss, in the nicest possible way, to open up and share the glory. Maybe.

This month, I'd like to thank my team for following me and leading me through the most interesting and challenging year I've ever experienced. I look forward to more fun and less drama in 2010.

And last but not least, happy holidays to you all. I'll be spending the season changing diapers, warming up bottles, and enjoying the warmth of snuggling with my newborns. See you next year, hopefully with a healthier economy and a bunch of companies ready to go out and kick some a\$\$!

Take care, Valerie Frederickson

VF&Co HR On Demand

Would you like to have access to an at–a–glance feature of HR professionals who are pre–screened, pre–interviewed, highly motivated, and ready to go? Check our website for updated profiles on a variety of candidates from HR Managers and Vice Presidents of Human Resources to specialists in the areas of compensation, benefits, and M&A.

Candidate 218 – HR Executive with international focus

- Extensive experience growing and transforming corporate HR functions
- Led Fortune 500 companies in organizational development, M&A, compensation, and business partner capacities
- Significant international exposure, with fluency in Mandarin and Spanish

For more information on this candidate and to view the rest of this month's featured candidates, <u>click</u> here.

HR Consultant & Contractors' Corner

What's Up in HR At Successful Companies?

Each month you can check out what's critical to our clients by seeing what kinds of HR projects we're doing.

Cool Contracting & Consulting Assignments:

- **Dream Assignment** Interim VP HR support for venture–funded startup
- Green is Golden HR startup support with a global wind energy company new to the US
- Back to the future Helping employer get survivors engaged and productive
- We Can Bend Steel HR outsourcing to a state-of-the-art metal fabrication business
- Finally! Assisting a client through decision process re: HRIS/applicant tracking system
- **Healthcare Reform** Nationally hospital transforming to a HR Business Partner model
- Welcome Assisting an expanding company develop their Global Mobility program
- Taking It Back Bringing outsourced HR function back in–house at a lower cost and higher quality
- **Focus** Working with a mid–sized company's management around focus and alignment of business and individual goals
- Keeping the Seat Warm Filling a seat on a major employer's compensation team to provide job
 grading and salary structure support and board presentations
- Help Is At Hand Working with major Native American tribal organization on performance
- Keeping Them Happy Researching, preparing and delivering incentive compensation alternatives to very engaged board members
- What To Pay Salary surveys
- Outsourcing Evaluating best models

• Bringing Home the Bacon — Helping new groups of laid off workers find new employment

Needed an HR contractor yesterday? You will be guaranteed one qualified candidate within 24 hours, or two within 48 hours. This includes Compensation & Benefits, M&A, HRIS, OD, Generalist, and all other areas of expertise. All our contractors are personally supervised by Partner & Principal HR Consultant James Holland and have access to our entire consulting staff and its resources. Immediate needs? Contact Michele Li at 650.614.0220 or michele@vfandco.com.

Current Executive Searches

[Contractor] Director of Talent Acquisition (San Francisco, CA)

A high–growth, pre–IPO, software start–up needs a Talent Acquisition Director with generalist experience to prepare the company to double their headcount within the next year. This contractor will develop a talent acquisition strategy, designing and implementing the appropriate recruiting processes.

[Contractor] Interim HR Manager (San Diego, CA)

One of the largest global law firms needs a Human Resource Manager to support their Southwest offices. This contractor will have a generalist background, be extremely proactive, and thrive under high stress situations. Political savvy is crucial. Previous experience working with legal staff will be helpful.

[Contractor] Director of Compensation (San Francisco, CA)

A major SF–based organization needs a Director of Compensation. This contractor will manage Total Rewards for this 750–employee company. Experience with salary surveys, reports, plans, and negotiations is crucial.

Human Resources Manager (San Francisco, CA)

A high–growth, pre–IPO, software start–up needs an HR Generalist to support the head of HR in all day to day operations. This newly created position will involve heavy recruiting and ER as they double their headcount within the next year. Experience in high–tech start–ups is highly preferred.

Human Resources Manager (San Diego, CA)

A major professional services organization needs a Human Resource Manager to support their Director of Human Resources in managing three crucial office locations in California and Arizona. The successful candidate will be extremely hands—on and pro—active with attorneys and legal staff to ensure that the employee's needs are being met. The ideal background should encompass extensive experience in the following areas: employee relations, full—cycle staffing, benefits, performance management and talent management. The individual will serve as a leader in the distribution of corporate values and should have proven experience organizing winning teams. Travel will be approximately 20%.

Director of Human Resources (Sacramento, CA)

A complex, global health services company needs an HR Director with expertise in international HR, M&A, training, and employee relations. The candidate should be politically savvy, collaborative, flexible, energetic, and detail—oriented. The role will require travel domestically and internationally up to 50% of the time.

The Best of the Rest

Given the current difficult climate, we feel that it's imperative to do whatever we can to help companies find the best HR talent and to help everyone in the HR community find appropriate employment. So in that spirit, in addition to our own active searches, we've put together a list of the most interesting HR openings we know of today. Spread the word to your friend and colleagues, and of course, if you land one of these positions, please drop us a line and let us know!

Room to Read Global HR Director – San Francisco, CA

Meebo

Vice President of HR - Mountain View, CA

International Rescue Committee
Deputy Vice President of HR – New York, NY

RealNetworks Senior Director of HR – Seattle, WA

Dendreon

Director of HR, Compensation & Benefits - Seattle, WA

Industry Events

Bangalore HR Summit 2009

December 18-19, 2009 - Bangalore, India

Hosted by the Institute of HRD, the Bangalore HR Summit is an international convention for Human Resources Professionals aimed at bringing together HR professionals, academics, researchers, and management professionals to deliberate on this year's theme Innovation in HRM. This two-day event will include presentations eminent speakers of national and international repute, who will share their expertise in enhancing organizational effectiveness through innovation in human resources management.

NCHRA: 2010 HR West Conference

April 26–28, 2010 – San Francisco, California

Come hear Valerie speak at the 26th annual NCHRA conference in San Francisco. Additional details forthcoming.

SHRM: 62nd Annual Conference & Exposition

June 27–30, 2010 – San Diego, California

Why attend the SHRM Annual Conference? 1) Learn. The greatest minds in the business provide advice, answers, best practices and tools you can put to immediate use. 2) Engage. Come listen to some of the most dynamic speakers in the world to get inspired, informed, and energized while learning to elevate your strategic abilities. 3) Network. Take part in the world's largest HR conference and network in person with participants from over 140 countries. 4) Recertify. Stay ahead of the complexity in HR and earn recertification credits toward PHR®, SPHR® or GPHR®. 5) Invest. The SHRM Annual Conference provides you and your teams with all the HR education you need in one place, covering strategic and tactical learning that you'll need for success.