



# Options for Success

Maximizing the contributions of your people at work

## CLIENT SPOTLIGHT: LOCAL FIRM FINDS STRATEGIC HR EDGE

By Anjana Moitra & Katherine Read

How do you manage your human resources (HR) for growth if hiring a full time HR expert doesn't make sense? Concord National, a provider of sales management, importing and distribution services bridged the growth gap by hiring The Fifth Option (TFO) on a less-than-full-time basis.

### Common Growing Pains

In 2007, Concord had 35 employees and was experiencing the growing pains of many firms its size:

- Policies and procedures had been developed on a piecemeal basis but needed to be strategically aligned & practiced consistently.
- As the leadership team expanded, different management styles emerged. Which style was optimal for growth?
- The firm's recruitment process was lengthy, (therefore costly) and retention of younger workers was a potential future concern.
- The firm wanted to proactively manage its human resources so that exceptional service (internal & external) remained its competitive edge.

### Building Incremental, Continuous Success

Enter The Fifth Option. TFO began by conducting an HR audit, from which it customized an HR Plan. Over the past two and a half years, TFO developed a full suite of solutions spanning areas such as communication, employee relations, benefits, recruitment, orienta-

tion, employee retention, performance management, and leadership development. An organizational restructure was implemented plus a Communications Strategy was designed for the firm.

### Significant Wins Included:

**Recruitment Improvements** – The average 12 week recruitment period was reduced by roughly 4 weeks with goals set for further time-to-place reductions. Candidate quality was improved by clarifying "Concord values," customizing an interview process (complete with values correlated questions), and training management on the new process.

**Initiative to Improve Retention** – While the firm already had a loyal employee base, it proactively modified its benefits program to ensure retention of younger workers. Career planning initiatives are underway to improve individual's understanding of the business and skills required to advance. The end result is a fuller appreciation of the career potential at Concord.

**Communications Improvements** – An innovative Communications Strategy was developed to inform and engage Concord's employees. For instance:

- A company-wide "Building a Winning Team Day" was established focusing on team building plus opportunities for individual and organizational growth. Topics addressed include improving interdepartmental relations, dealing with different personalities and communicating more effectively.
- A "State of the Union" was initiated to communicate successes, areas for improvement, and how the business is aligning with its mission. Employees can now better see how they contribute to the bigger picture, both individually and as a group.

Over the past 2.5 years, Concord has grown from 35 to 48 employees. TFO has tailored its services to the ebbs and flows of Concord's business, functioning as the firm's on-site HR expert from 4 to 6 days a month. Growth pains have reduced, people issues get rapidly resolved and teamwork is enhanced.



Concord is one of many clients The Fifth Option provides with strategic HR management solutions. TFO provides HR management solutions at a less-than-full-time basis primarily to firms in the 20 to 200 employee range, tailor-making solutions to the client firm's specific needs. In the process, company owners and key leaders who have taken on human resource management duties get to reclaim their schedules and focus on their core areas of expertise.

## Downsizing How To's

By Katherine Read

What are the do's and don'ts of downsizing? While this topic could fill an entire book, here are a few pointers to assist.

- **Don't ignore the signs.** Monitor the key indicators of business success so you can institute measures to retain valuable talent while you still have a choice.
- **Look for innovative cost reduction solutions.** Get creative when looking for 'wiggly room' to cut costs.

Continued page 2 ▶

- **Know the finer points.** If you must downsize, be aware of the legal requirements such as how much severance and notice is given.

- **Don't underestimate the emotional impact.** Morale affects productivity. Managing the emotional dynamics is critical to protecting your firm's bottom line.

- **Repair the trust.** Understand that a downsize can erode trust. How you respond after a downsize makes or breaks if you win it back and how quick.

- **Offer support.** Surviving employees who have taken on new duties may need orientation and support. Act promptly to help those affected get up to speed.

- **Communicate, Communicate, Communicate.** In downsizing, this can be the key factor in your success.

- **Be patient.** Change management is a step-by-step process. Patience and strong leadership in changing times are hallmarks of Employers of Choice.



## EMOTIONAL INTELLIGENCE FOR AFTER A DOWNSIZE

By Katherine Read

As most experienced HR managers know, stress is the kiss of death to productivity and to your bottom line. At times of economic turmoil, everyone is watching the leadership team. How are they managing the situation?

Here are a few tips for managing the emotional dynamics in a workplace after a downsize has taken place:

- Don't be the Great Pretender.

Employees will talk even if you act like nothing has happened.

- Remember that a 'business as usual' approach may be perceived as insensitive. Employees may agree with your decision to downsize but experience upset and loss nevertheless.

- Understand that good communication can help alleviate stress. Take time to connect with employees, especially those whose job duties have been affected and whose workloads have increased.

- Be flexible, patient and available to help. Be aware that people respond to stress in different ways. One individual may act out, another may be outwardly calm but be panicking inside.

- Employees may worry about lacking the training to deal with increased workloads and new tasks. Make sure these concerns are addressed rapidly.

- Be available and as transparent as possible about the situation and decisions that have been made but don't make promises you can't keep.

- Finally, be open to suggestions for moving forward. Valuable ideas could come from any member of your team.

## CAREER TRANSITION SERVICES MAKE GOOD BUSINESS SENSE

By Katherine Read

Providing career transition services (also known as outplacement) to downsized employees makes solid business sense.

As an employer, you want to avoid burning bridges with employees as they leave. Good news spreads fast but bad news spreads even quicker. While statistics vary, research suggests that dissatisfied individuals tell up to 11 times as many people of their negative experience than those who have had a positive experience.

So, do you know who your downsized



employees will talk to or where they will land?

- Often downsized employees approach former clients for a job, often landing positions with an influence over future business.

- On the other hand, when the economy rebounds, will you want to rehire some former employees?

- In certain sectors, such as engineering, firms partner on joint projects. Will the former employee end up being on your future partner's team?

- And, within your firm, keep in mind that remaining employees will be watching you. The way downsized employees are treated tends to get around. This affects the emotional climate, productivity levels, retention, and your bottom line.

Professional job search coaching demonstrates goodwill and helps transform fear and anxiety into focused action and results, equipping downsized employees to get good jobs, faster.



## FILLING THE HR GAP

By Katherine Read & Michael Povey

A survey by the BC Human Resources Management Association shows that one of the three types of positions firms are most likely to downsize is Human Resources (HR). While letting go of HR staff can be a must for some firms, it is critical to take immediate steps to ameliorate the negative impacts.



How will the firm replace the HR expertise it has lost? In many cases, firms expect senior management to take up the slack. Sometimes this works and other times... not at all. In any event, key leaders may find their schedules being cannibalized by a multitude of people-headaches. Strategic decisions may need to be made on high stakes HR issues with impacts that will 'stick'. As a result, key leaders need to be properly informed or have access to HR experts.

If you've downsized, what should you look out for or be prepared to address?

- Morale issues.
- Productivity decrease.
- Stress leave/absenteeism increase.
- Quality concerns.
- Overtime increases & concerns.
- Need to restructure.
- Need to re-allocate work, change job duties or jobs.
- Need to modify compensation and benefits due to job modification.
- Confusion over new/revised jobs, roles and responsibilities.
- Need to avoid 'constructive dismissal' when modifying jobs.

- Ensuring adequate training for new tasks.
- Reconnect with clients served by those who have left.

And, if this round of downsizing may not be the last, firms may need to address knowledge management, including intellectual property protection.

A downsize may place a heavy workload on HR staff and pose a significant challenge for leaders in firms without HR support. One solution to consider is bringing in HR experts at a less-than-full-time basis or for specific projects. The Fifth Option has been filling this need for over 20 years, providing firms with practical, strategic HR services, when they need it and on their terms. Should you need to contract out aspects of your HR function, we'd be pleased to assist.

## STAFFING AHEAD OF THE CURVE

By Katherine Read, George Coghlan & Candice Meighen

Smart firms are always looking for exceptional talent. This holds true, even when purse strings are tight. Part of staying competitive and reinventing your business is having the right people to fit your game plan. For firms that don't, selective talent acquisition may provide an edge.

If you are assessing your talent base, here are a few timely points to note:

- **Short Term BC Advantage** – Since BC has experienced a shallower downturn than Eastern Canada and the States, firms may find it easier to attract top talent from other markets than in the past. Downsized execs with hefty severances may be more open to moving west than before, attracted by Vancouver's livability and the recent decrease in housing prices.
- **Large Labour Pool Brings Mixed Blessings** – Yes, the labour pool is atypically large. However, in BC, many firms have used the economy as an excuse to 'cull



the herd'. So, while the ranks of unemployed have grown, most firms have kept a tight grip on the "crème-de-la-crème" talent. The result? Quality candidates may still be employed and not actively scanning recruitment ads. Floating a cheap ad on a few job boards may bring reams of resumes, but the quality may be dubious.

- **Succession Planning a Conundrum?** – The economy has impacted succession plans. With the demise of mandatory retirement and the market crash, some employees who were considering retiring may now continue to work. In contrast, some firms may still have a significant chunk of senior talent retiring in just a few years. For the latter, now is a perfect time to hire the successors.





• **Upswing Preparation** – While nobody can predict exactly when the upswing will occur, it may be sooner than we expect. Vancouver will take the world

stage in less than a year, creating many new opportunities. Plus, some sectors of the economy appear well-positioned to expand. So, it isn't too soon to ask, do you have the talent you need to position your organization for the upswing?

**\$\$ Smart Solutions for Hiring**

In current times, what are some cost-effective ways to selectively hire?

First, given the overwhelming number of resumes on the internet, and the fact that many senior, high-calibre candidates are still employed, it may be more cost-effective to have an expert do a search than have an HR Manager scouring job sites for hours and hours.

Organizations that wish to keep elements of their recruitment in-house, may wish to consider hiring external experts for a partial recruit. Often, someone who lives, eats and breathes recruitment can save you time and money by...

- Knowing the ins and outs of how to locate the ideal candidate.
- Doing the upfront research.
- Doing the research and the initial candidate contact.
- Doing recruitment ad follow up and candidate pre-screening.
- Handling the recruit, up to and including providing a concise list of high quality candidates.

Smart firms are always looking for good talent. And if a company is striving to be the premier player in their field, the current economy still offers solid opportunities to move forward.

**OPTIONS FOR SUCCESS**

Executive Editor: Katherine Read  
 Editorial © The Fifth Option Consulting Inc.  
 Design © George Triay Design  
 All rights reserved.



Suite 310 – 938 Howe Street  
 Vancouver, BC V6Z 1N9  
 Phone: (604) 659-1300  
 Fax: (604) 331-4476



**(For any questions please contact Katherine Read, Ext. 8)**

**Reproduction rights:**

We encourage you to circulate this material, unmodified, for your own internal or private use. You may quote any article or portion of article with attribution. Quotation of any article or portion of article without attribution is prohibited. The newsletter, its contents or its material may not be sold, intact or modified, nor included in any package or product offered for sale.