

June 2004

[Letter from the Editor]

Dear Friends:

One of our clients just brought in a SVP under the Founder/CEO to manage most of the executive team. I spent about an hour with her recently and she blew my mind with how much one person can change an entire culture and set up a company for exponential growth.

The existing team had been running a marathon. This new SVP has been able to analyze the business, plan strategically, reorganize the company, negotiate positions in new markets, and basically, take the company from pretty good to fantastic in about six weeks while getting the buy-in from the executive team. She was the most compelling example I have ever seen of one new executive changing an entire company for the better.

We've experienced some of the same 'wow' with Roger Barney, who joined us recently upon his retirement from Borland Software where he was CAO. In bold and quiet ways, he is helping to transform our company.

As you look toward leadership development and retention of your executive team, please pay attention to succession planning. While studies show that bringing in an outside CEO almost never works, there are circumstances when it's the best choice. And if you decide to do it, don't settle: bring in the best person you possibly can, and then get out of his or her way.

As a side note, our clients are now experiencing very heavy competition for executive-level candidates, with candidates now in multiple interviews, if not multiple offers. You'll see that this has caused an increase in our retained search practice. As this continues, companies will no longer be able to drag on offers for weeks, and will have to remember how to compete for the talent they need.

This month we'd like to thank Barbara Tanzillo, an employment attorney with GCA Partners, formerly of Gray Cary for her referrals and support.

Take care,  
Valerie

**ASK VALERIE:**

Dear Valerie:

Should we have an HR audit done? I'm not sure our HR person is doing a good job, and am concerned that we might not be legally compliant.

-Just Wondering

Dear Wondering:

Yes, and do it quickly. An HR audit will show you where you are out of compliance, where there are inefficiencies and wasted resources, and what you could do through HR activities to help grow your top and bottom lines. And, there is a new law called the Bounty Hunter's Law, where just about anyone can

walk into your company, find out where you are not compliant and can collect a bounty. You can do the audit yourselves, but then you won't have that neutral third party perspective. Have an HR consulting firm do it in conjunction with an employment law firm. You get the information you need, including how your HR team is performing and how to be ready for exponential growth, save money, and if there is a problem, it will be considered privileged information.

Dear Valerie:

What's the focus for employees in late 2005 and beyond?

-Trying to Plan

Dear Plan:

Without a doubt, the focus will be investment in people. Because of the economic downturn, companies have not been able to spend money on upgrading their leadership teams, leadership development, communications off-sites, etc. Now that the companies are growing again, they're finding that their employees need training to keep up with their jobs, and that they are losing their employees to the competition because they've been ignoring them, especially losing them to companies where employee development and career growth are valued. So, watch out, and know that there are other employers out there who are smarter than you and are already ahead of the curve.

**More resources?** Check out our new website [www.vfandco.com](http://www.vfandco.com) for articles and recommended reading.

#### **SPECIAL EVENTS:**

TEC International Breakfast and Prospective Member Event

June 22, 2004, San Jose, CA

Join Valerie Frederickson and other Silicon Valley CEOs for a leadership development seminar exclusively for CEOs. Did you know that TEC member companies grow, on average, 2.5 times faster than they did prior to joining TEC? Contact Richard Bell, TEC Chair at 650-321-8732 or via e-mail [rjbell@ceoservices.com](mailto:rjbell@ceoservices.com) for more information.

2004 NCHRA Global HR Conference

August 19, 2004, San Francisco, CA

Chaired by Valerie Frederickson, the 2004 NCHRA Global HR Conference will feature a global CEO panel moderated by Roger Barney, and a global HR executive panel, with special presentations on global compensation, talent management, and international HR trends.

#### **CURRENT CONSULTING PROJECTS:**

- HR Audits
- Executive team assessment and development recommendations
- Board of Directors assessment
- Compensation upgrades
- Strategic Planning Facilitation
- Executive coaching
- Executive team development
- Compensation analysis for a not-for-profit executive team

- Global outsourcing of sales to third parties
- Outplacement

**SEARCH PRACTICE:**

We accept resumes from all C-level executives, from Board members, and from all HR professionals. Email your resume in MS Word format to [recruiting@vfandco.com](mailto:recruiting@vfandco.com).

**CURRENT SEARCHES:**

Member, Board of Directors (Silicon Valley)  
Vice President, Product Marketing (South Bay)  
Director of Business Development and Channel Sales (EMEA)  
Strategic Account Manager (Germany)  
Senior Director, Human Resources (South Bay)  
Director, Compensation/Benefits/HRIS (Mountain View)  
Executive, Human Resources (Auburn, CA)

**RECENTLY CLOSED SEARCHES:**

Director, Compensation (Sunnyvale)  
Organizational Development Consultant (SF)  
Manager, Compensation (Central Valley)  
Director, Compensation (Sunnyvale)  
Vice President of Product Marketing (South Bay)  
General Manager (Austin, Texas)  
Vice President of Sales (Sunnyvale)  
Vice President of Professional Services (South Bay)  
Vice President of Business Development (Campbell)