

[A LETTER FROM VAL]
Survival of the Fittest

Dear Friends:

I recently had lunch with the CEO of a high-end retail furniture business. I told him how my company was doing—search revenue is down, outplacement revenue is up, HR contracting and consulting is holding steady—and then asked him about his. No one was buying anything at all, he said, and he doubted that they ever would again.

"Of course they will," I said. "You just have to wait a few months."

"No," he replied. "I'm not sure they ever will."

"But surely you've seen ups and downs before..." I said.

"It's different this time," he shot back. "I think it's gone. I don't think people will ever buy furniture again."

So what he was doing to respond to these unprecedented times? Layoffs? A blowout sale? New product lines? My mind started spinning with ways of finding new revenue streams for his business. Maybe he could sell high-end used furniture. Or rent his inventory to people who stage houses that are for sale. Or offer his sales force for in-home design consultations, helping people to rearrange their existing stuff and doing some upselling in the process. Or...

He couldn't even get into the conversation. He was in a horrible place. Terrified. Stuck. Unable to see his situation as anything but hopeless.

Since that lunch, I've been thinking a lot about CEOs and their leadership. Until recently, most of the time that I've spent with CEOs has been when they're hiring a top HR executive. Meeting them in these situations is usually a positive, forward-looking experience. Yes, I hear some grumbling about the incumbent and the mistakes he or she has made, but mostly these CEOs are focused on the future and what they want to achieve. We go over their business in detail, and they speak with confidence about exactly what it's going to take to get the company to the next milestone. It's really cool to listen to.

Now, however, I'm meeting more of them in a completely different circumstance—at their offices doing outplacement, helping them execute reductions-in-force. They're coming into the conference rooms where I'm spending my days being a sympathetic and calming presence, and they're sharing their fears with me. And though they're reacting in ways that are certainly understandable, it's also a bit disheartening. Their shoulders are slumped. They're not eating or sleeping. They're embarrassed. Defensive. They explain their decisions to me as if I'm sitting in judgment. They're paralyzed with fear.

Granted, I went through my own three-week period of fear and loathing back in October, when we started to see a falloff in our retained executive search business. Much like the furniture CEO, my mind started in on the doomsday scenarios: "Nobody will ever hire anybody ever again!"

But thankfully I'm surrounded by good people, and through a combination of pep talks and kicks in the rear, they helped to pull me out of my funk. And I started to realize that, no matter how bad things are,

you have to keep moving forward. Doing the same old thing, managing the same old way, presiding over round after round of layoffs in an effort to tread water is not—repeat, not—good leadership. It's the bare minimum. Good leadership is realizing that this is in fact what you signed up for, why they pay you the big bucks. Like those marriage vows, you're there for richer and for poorer, for better and for worse.

And indeed, some of the CEOs I'm meeting these days are coming across as true leaders. One that comes to mind is a startup chief, whose VCs refused to honor a commitment to kick in more money when certain milestones were met. So he busted his behind to raise more funds, and when that effort failed, he decided to self-fund the company. Now he's on the verge of landing enough business to keep the firm growing without additional VC funding. Way to show them!

Likewise, there are things we all can do to keep our businesses growing—if you can let go of what you had (or thought you had) and start from scratch. History has shown that the most successful startups are often the ones that don't stay wedded to their original vision. They start as a retail music-sharing service and end up as a corporate IP provider, or evolve from an online flea market into an employment advertizing site. In our case, we started as an outplacement firm, then morphed into a coaching and leadership firm, spent some time as an HR consulting firm, straddled the HR consulting/HR executive search fence for about five years, and have now reinvented ourselves again—all to meet the changing needs of our clients. My head could spin, or I could take a wider view and say that we truly are, as our slogan says, "Your HR Business Partner." Here to serve you in any way.

Since I regained my focus and refocused the company on our outplacement practice, we've picked up so many projects that we've more than replaced our lost search revenue. We're now back to helping dozens of valued individuals every day to feel more secure and to find new employment, and we're back to having a reason for being. But I also realize that, before I got there, my three weeks of denial and depression ended up costing my company three weeks of market share.

So my question to all of you is this: What are you costing your organization, right now, by burying your head in the sand instead of looking for new opportunities? How can you make a personal commitment today that your business will be successful in spite of the economy? Let's take the worst off, most in-trouble businesses and see if we can collectively turn them around. Call your peers and do a Tiger Team. Ask strangers. Ask yourself. As Nike says, Just Do It!

This month I'd like to thank my CPA, Joe Kashani, for helping me have the vision to continue to grow my firm and serve our clients, even during this most difficult of times. And, a huge thanks to George Whitehill, CEO of AMS, for being such a great turnaround CEO role model and friend. Way to go, George!

Take care,
Valerie Frederickson

Ask Valerie

Dear Valerie:

I've been out of work for more than three months, since the small media company where I was VPHR was sold. Before that, I held various operational roles in HR, primarily in the technology industry. The market is pretty bad right now, and I'm having a hard time finding anything at the VP level. I have gotten a couple of calls from large tech companies wanting to gauge my interest in an HR Business Partner role,

but I'm afraid that, if I take one, it will be viewed as a step back and will make it more difficult for me to get another VP job later. What do you think?

- Trusting in God But Getting Scared

Dear Scared:

If you've got a Fortune 100 technology employer offering you a decent-paying HR Business Partner role, take it! There is no downside, and the upside is that you'll get a chance to work closely with the leaders of the business unit and learn from them. Often the people running these units are former CEOs used to having someone very good like you to support them, and since HRBP roles can have base salaries of nearly \$200k, they are really viewed as senior-level jobs. In a few years, assuming you've done good work, you'll have no trouble being considered for a VPHR job there or elsewhere.

Dear Valerie:

We'll be notifying our staff of a Reduction-In-Force early next week and walking folks out the same day. We are bringing you in to do on-site counseling, and plan to offer workshops and online support in January, once everyone is back from the holidays. Is there anything else we should be thinking about?

- Trying to Do It Right

Dear Right:

If I were losing my job a few days before Christmas, I'd want to go directly into a career transition workshop and start using the online system right away. For those of us who are gainfully employed and looking forward to time off, it may sound reasonable to wait—but for someone worrying about how they're going to pay their mortgage, those are a couple of weeks that they'll want to be spending in pursuit of their next paycheck. You should help them do a good job of it, which means getting them polished up sooner rather than later.

Dear Valerie:

Our business has been hit really hard and we have to cut corners wherever possible. I'm trying to renegotiate our lease, but our landlord says that commercial rents are not going down and that he has a waiting list. I know you're seeing a lot of downsizing, but what are you hearing on the commercial rent side?

- Looking For A Deal

Dear Deal:

Rents have gone down in many areas by more than 30%, and many people say that the downward spiral has not even started. My concern is that you need to be focusing on making money, not saving money, since no leader ever saved his way to growth. Find an aggressive commercial broker whose style you like and have him negotiate for you. It never hurts to be able to tell your landlord that you're being courted by another building.

- Valerie

¡Muchas Gracias y Feliz Navidad!

A special thank you to everyone who donated to La Tiendita Gratis de Navidad, where families desperately in need shopped for free for clothing, toys, and books. This completely made the Christmas

for six local families of hard-working immigrants. If you are still interested in helping out, we encourage you to donate directly to [Children's Book Project](#).

[Outplacement for Your Employees](#)

Tired of the same old outplacement services? Come to the best! Since 1995, America's Best Places To Work firms have come to VF&Co for customized, caring, and flexible outplacement programs. What you get: free on-site Take-Outs; Valerie's popular book on Career Transitions; one dedicated career counselor for each candidate; the hands-down best online programs and resources; in-person seminars delivered with warmth and humanity; hours of individual assistance for each candidate including resume development and career counseling; and real, old fashioned job development and networking contacts.

Want to see our approach? Get a free copy of Valerie's 34-page guide, Do-It-Yourself Outplacement Kit for Harried HR Professionals here. Price shopping or need to customize a program? Contact Dana Hutcheon at 650 614-0220 or dana@vfindco.com. We'd love to work with you and take good care of your folks.

Latest Outplacement Trends?

Courtesy of last Friday's front page story in the Silicon Valley Business Journal, [click here](#) to read Valerie's thoughts on how outplacement has changed from the dotcom bust of 2002 to our current credit crunch of 2008.

[Current Executive Searches](#)

Featured HR Executive Search of the Month

Director of Compensation, Benefits, and HRIS (Bay Area, CA)

A global high tech company needs a Director of Compensation, Benefits and HRIS. The position will report to the Vice President of Human Resources and will work closely with the executive team on Board-related compliance issues. The Director of C&B will make strategic recommendations on the existing compensation and benefits programs and HR systems, as well as manage the day-to-day operations. The ideal candidate will have solid experience designing and implementing international total rewards programs. Experience handling executive compensation is a plus.

Chief Executive Officer (Mountain View, CA)

Professional - Aid to the CEO (Bay Area, CA)

Human Resources Executive (East Bay, CA)

Contract Director of HR (Bethesda, Maryland area)

Human Resources Manager (East Bay, CA)

Human Resources Business Partner (Sunnyvale or Irvine, CA)

Compensation & Benefits Manager (Santa Clara, CA)

Benefits Analyst (San Francisco, CA)

To view more information on this month's Executive Search opportunities, [click here](#).

[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 Human Resource Managers and Vice Presidents of Human Resources to specialists in the areas of compensation, benefits, and M&A.

Featured HR Candidate of the Month

Candidate 182 – HR Director with extensive start-up experience

- Specialization in operations, compliance, and team-building
- Retail and high tech industry background
- Well-versed in compensation, benefits, staffing, affirmative action, health and safety, training and development, employee relations
- Partnered with executive management and Board of Directors to create and drive the HR function

For more information on this candidate and to view the rest of this month's featured candidates, [click here](#).

Industry Events

The Conference Board – Talent Management Strategies

March 19-20, 2009 – San Diego, California

Acquiring, developing and deploying the right talent has become one of the most strategic and competitive battlegrounds in business. Talent Management is now a make-or-break corporate competency. Doing it well positions organizations to adapt quickly to market changes, seize growth opportunities and effectively mitigate risk. Yet even the best-in-class companies are struggling to find the top talent they need and keep them. Learn what it means to have a talent mindset, how to integrate your talent management processes and make sure your people assets are being fully leveraged for business impact.

HR West – NCHRA's 25th Annual Conference

April 28-29, 2009 – South San Francisco, California

The NCHRA's Annual HR West Conference is celebrating its 25th anniversary! Join Valerie Frederickson & Company at the premier gathering of Human Resources professionals in the Bay Area. Valerie will be presenting a follow-up to our most popular "The Emerging Role of the HR Business Partner" presentation, entitled "How to Become a Successful HR Business Partner".