

[A LETTER FROM VAL]

Engage with Engagement

Dear Friends:

When Scott Morrison from the Wall Street Journal called a few weeks ago to discuss the new algorithm that Google is using to figure out which of its employees may be planning to quit, I had no idea that it would become such a big deal. I mean, I thought the idea of using software to figure out if your employees are unhappy was kind of weird, but it was also a classic Google move. So I had no idea it would strike such a nerve. Within days I appeared in the article on front page of the Journal's business section; did a 30-minute point-counterpoint interview on NPR with John Boudreau of USC (you can guess which side I took); received a series of interview requests from across the country; and spoke in front of 50 HR executives in southern California who were all laughing out loud at the idea. In the HR community, it's safe to say, algorithms are not as popular as old-fangled ideas like succession planning and listening to your employees.

But whatever one may think about the Google algorithm, it's clear that we all have to keep our eyes on the employee-engagement ball as we approach what some economists believe will be the darkest time before the dawn of economic recovery. With many companies still continuing to downsize—some even having to go ahead and doing the RIFs that they publicly promised they wouldn't do—it's imperative for employers to find ways to make sure their remaining employees feel valued and important. Or, they'll leave. It's that simple.

Consulting firm Watson Wyatt's 2008/2009 WorkUSA Survey Report sheds some valuable light on the stakes involved at what could literally be a make-or-break juncture for many companies. The survey found that top-performing employees at firms going through restructuring are 50 percent less likely to be highly engaged and are twice as likely to leave than their lower performing colleagues. But for those companies that can find ways to keep them happy and motivated, the payoffs are huge: The survey also found that highly engaged employees are five times as likely to believe passionately in what their organization stands for in the marketplace, are 2.5 times more likely to be satisfied with their employee benefits, and miss 20 percent fewer days for unscheduled absences.

When high-performing employees are motivated and aligned to the core activities of a company, they often become so emotionally invested that there's no way they would leave. So how to keep your best people committed and engaged? Beyond the painfully obvious—top-performing employees at restructuring firms who are satisfied with their pay are 75 percent less likely to be a high voluntary turnover risk!—the survey did contain a few valuable insights. It found that keeping the focus on customer satisfaction provided a common goal that left people feeling good about the organization. It found that continuing to invest in training and work processes conveys the message that the company still has a long-term direction worth buying into. And it found that seeking out and acting on employee suggestions was critical to engaging the high performers.

In a similar vein, I was recently in a CEO-only chat room featuring a discussion on how to keep employees engaged after pay cuts. (Note to VF&Co. staff: No, we are not considering that. I was just trolling around looking for good ideas on EE.) It was really affirming to read post after post in which CEOs were saying all the right things. Many felt that the way to keep people engaged is to revisit the mission statement and strategic plan, and to translate them down to each and every employee and what they mean for his or her career. Others were preaching complete honesty and transparency,

saying that you should share the P&L with the team and let everyone know where the numbers have to be before the pay goes back up.

Clearly the HR sophistication of the average CEO has gone up exponentially in the 15 years since I launched this firm, a phenomenon for which I take full credit. (No? OK, how about partial credit?) But whether or not my impact has been great, I've tried my best to help executives and their teams do better on the job, be more successful in their careers, and be happier in the lives. Many, many people have influenced me and helped me along the way, from Jan Smith, my first corporate client (now SVPHR at Eclipsys), to Hayko Kroese, my biggest client (SVPHR at Philips Electronics in the Netherlands). Starting this month, we're celebrating our 15th anniversary with various events throughout the year, including a cocktail party in late June and a 200-person luncheon and panel on—you guessed it—employee engagement in mid-July at the SF HR Star Conference. I look forward to seeing you then.

This month, I'd like to thank my parents, Rosemary and Fenton, and our babysitter, Anne, for doing such a great job of parenting.

Take care,
Valerie Frederickson

Ask Valerie

Dear Valerie:

My contract employees are always dragging things out and acting like they want to be here forever. How can I get them to hurry up and finish their projects?

- Paying and Peeved

Dear Peeved:

Remember that cute movie, *Intentional Cruelty*? You have to be like the gold digger and plan the dissolution from the beginning. Talk about it: "And when you're done and you've turned it in..." Treat them like building contractors and set aside a portion of their pay for delivering on budget and on time. And make sure to let them know your no-more-work-for-tardy-contractors rule.

Dear Valerie:

You've been brutally honest with me, absolutely pulling no punches and telling me the good, the bad, and the ugly. Are you always this honest? Don't you ever feel the need to lie?

- Stiff Upper Lip

Dear Lip:

Well, no. I mean yes. But the way my brain works, I track behavior patterns and relationships so sometimes I know what's going to happen before it happens, and what someone needs to do differently to change the outcome in their favor. And if that's the case, then the best gift I can give them is honesty. But notice that I always do it in an affirming manner, with love and respect.

Dear Valerie:

How can I convince my bosses of the importance of investing in employee engagement?

- Drowning in Low Morale

Dear Drowning:

I know this isn't what you want to hear, but it's definitely the most effective way to get your message across: Wait until your company loses a bunch of great people to their most hated competition and bring it up then.

- Valerie

[Current HR Executive Searches](#)

Featured HR Executive Search of the Month!

Human Resources Director (Palo Alto, CA)

A global, growing biotech company is looking for a HR Director to support their R&D group. This role reports to both to the Senior VP of HR and the head of R&D. Ideal candidates will be bright, collaborative, hands-on, transparent, and will have a strong, well-rounded HR generalist background. International experience is highly preferred. This position entails 20% of international travel. Email your resumé in MS Word format to recruiting@vfandco.com.

A Note from Our Executive Search Team...

Due to the high volume of candidate submissions and the relatively quick pace with which we're filling our current searches, we have decided not to publish most of our searches lest we be completely overwhelmed with resumes. Instead, we recommend that all qualified candidates, whether you are a Board Director, CEO, CFO, or HR Executive, make sure that we have you in our database and are aware of what you're looking for. That way, if we get something, be it RFT or contract, we can slip you in right away. Please feel free to email your resumé in MS Word format to recruiting@vfandco.com.

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!

Paramount Pictures

Vice President of Human Resources – Los Angeles, CA

Premier Oil

Head of HR – London

Cargotec

Country HR Manager – Shanghai

Nastrac

Regional HR Director – Malaysia

APG Global

Head of Human Resources – Qatar

Ortus

Vice President of Training, Learning & Development – Singapore

[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 202 – Senior HR Business Partner:

- 15+ years of HR generalist experience in international companies, with expertise in Compensation & Benefits
- Strong international background; fluent in English, Spanish and Italian
- Start-up experience building an HR function from the ground up

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

Industry Events

2009 HR Star Conference, San Francisco

July 15, 2009 – South San Francisco, California

Join Valerie Frederickson and the VF&Co team at the annual HR Star Conference in SF. Valerie will be presenting on How to Become a Strategic HR Business Partner II, a follow-up to last year's popular The Emerging Role of the HR Business Partner. The presentation will give the audience a chance to do several real-life case studies together. Additionally, VF&Co will be hosting an invitation-only lunch panel this year. Topic: employee engagement. Contact Michele Li at michele@vfandco.com for more information.

2009 IHRIM Global Forum

July 16, 2009 – Chicago, Illinois

With rapid globalization and the continued outsourcing of workforces, the seamless integration of HR practices and information technology is becoming increasingly important. Join the world's leading HR and IT professionals at the IHRIM annual conference on Global Human Resources Information Management. Topics include: State of the Global HR Industry, Global Process Design, Global Change Management, Global Case Studies in Implementing Workforce Analytics, The Switch to SaaS, and Building a Business Case for Global HR Deployment.

2009 PIHRA Pacific West HR Conference

September 14–16, 2009 – Palm Springs, California

Join Valerie and the VF&Co team at the annual Southern California regional conference in beautiful Palm Springs. CEO Valerie Frederickson will be presenting on How to Become a Strategic HR Business Partner II, a follow-up to last year's popular The Emerging Role of the HR Business Partner. This is one of Valerie's favorite SHRM conferences because of all the charming and smart attendees. Plus, we can party in some cool swimming pools and have a good time the week before the twins come.