[Letter from the Editor]

DEAR FRIENDS:

"I know it's urgent and critical and important, but could you ask me my opinion about this some other year, when I've already got my work done? I'll give you my honest opinion now, if you really need it, but you've got to know that it'll be biased based on my overworked, myopic view, my own life experiences, my own needs, and of course, my own agenda. And, by the way, we only do consensus decision-making around here for the really important issues, so please do follow my advice."

What's a new CEO to do? Dr. Saj-nicole Joni, who wrote The Third Opinion, is a former Microsoft executive who will be keynoting at the TEC international leadership conference this fall. I spent about an hour with her on the phone this morning interviewing her on how CEOs can increase their decision-making and execution powers. This is what I learned.

People are more open and disclosing in groups, but they need a safe place with no interplay where they can process their thoughts and gather their reflections. CEOs are more effective if they regularly discuss issues with their Third Opinions, people who have nothing at stake and are not part of the daily grind, using the sessions as accelerators of their leadership. This way, you up the ante on provocative thinking, get unbiased opinions, and can feel free to be more open and creative. People on your team are usually so embedded in the urgency of the business, that they cannot separate out what is important.

Really great leaders tend to have high ego strength, high mental curiosity, and use Third Opinions regularly--not as a crutch, but as a Ferrari. (Editor's note: as someone who recently has knee surgery and has been looking at new cars, it's an analogy I can relate to). If you were able to process a business issue with someone brilliant like Warren Buffet, you would execute differently because of your confidence level and because you would have looked at the issue from every angle.

Plus, there are psychological aspects of trust. Senior executives live with a lot of tension all the time. If you're with someone who's your peer and whom you trust, you can let go. It may be the only place where you can relax for the first time in a long time because you don't have to be in charge and strong.

According to the French philosopher Michel Foucault, you need balance in all relationships, or the power is off. When that happens, the learning can't stick. It's a sign of a super high performer that even when they are processing issues and getting advice, they are in some way returning the favor. They are hugely committed to their and your success not just because it gives them power, but because it allows them to relax and learn.

This month, I'd like to thank George Anders, Wall Street Journal's Silicon Valley editor and author of Perfect Enough, for his continued coverage of us in the WSJ. George, you are graciousness personified, and ethical enough to buy a SUV hybrid.

Take care, Valerie

ASK VALERIE:

Dear Valerie:

We're thinking about starting a confidential search for a new VP Sales, which will be our fourth in six years. Do you have any tips on what we should look for to ensure a good hire?
-Recruiter

Dear Recruiter:

Great question! Start off by getting nine references on each candidate, including past accounts, and personally check all of them. Salespeople are salespeople, and you need to find out what their actual results were. Ask for copies of their last three years' W2s. That will get the conversation to a new level. Lastly, take a good look at the root cause of why you've had so many VP Sales, and make sure that you've solved that problem, or your door will continue to revolve. Go back and interview the former ones, and find out what was really going on. You may uncover problems with the product, with marketing, or other departments.

Dear Valerie:

Can you recommend any organizations or sites where we can recruit from a diverse group of candidates for an executive hire? We really need to add a woman or minority to our executive team.

-In Charge

Dear In Charge:

That's great that you want to, and there are some specifics at the end of this answer, but when you need to add diversity to your executive team it is almost too late to begin. The fact that you're looking for a person now may be a symptom of a deeper problem: that you need an on-going diversity initiative infused in your organization. Companies that are constantly hiring, training, developing, and promoting diversity don't typically run into a problem of desperately needing a token representative on the executive team. Specific places include Financial Women's Association, Black Recruiters Network, and Silicon Valley HR Women.

Dear Valerie:

Our company just brought on a bunch of new sales people globally, and we've put them through product training, company training, and sales training. Based on our six to 12 month sales cycle, it's going to be a while before we see any results. How can we track how they are performing in the interim, so we can monitor their productivity and learning?

Dear Nervous:

-Nervous

Oh good, I'm so glad you asked a question I can turn over to Matthew Oates, a business development expert and advisor to the firm, who has this as one of his life's passions. Matt: "They need to create leading indicators for activities that are happening in the sales funnel, prior to when the actual sale occurs. These would include number of new targets contacted, number of first meetings, and number of proposals in process. The measurements may differ depending on your offering and sales cycle, but the discipline remains the same. Buy a sales tracking tool like M-Power, which tracks the activities, not just the results, and provides a barometer on a salesperson's productivity, especially during long sales cycles."

SPECIAL EVENTS:

Ultimate Decision Maker

September 15, 2005, San Francisco, CA

This four hour Littler Mendelson event is designed for today's organizational leaders and decision makers. Littler's senior employment law attorneys have developed case studies that help to simulate real life problems that many executives face as they are faced to make employment decisions that balance achieving organizational goals and potential litigation.

Increasing the Efficiency of Sarbanes-Oxley Compliance

September 20-21, 2005, Atlanta, GA

Sarbanes-Oxley compliance is not a one-time project; rather it is a continuous cycle that becomes an integral part of the enterprise's financial reporting function. It is time for executives to start looking into long-term solutions to reducing costs and streamline compliance processes in order to improve overall efficiency.

ABD's Annual Signature Seminar Event - "Answers for Managing Change"

September 29, 2005, Crowne Plaza Hotel, Foster City, CA

Addressing key topics of critical interest to Finance and Human Resource Professionals: Managing Absenteeism and Return-to-Work Strategies; Integrated Disability Management; Corporate Governance; Mergers & Acquisitions; Healthcare Legislative and Compliance Updates. Keynote speaker: Dee W. Hock, founder and CEO Emeritus of VISA International and author of "Birth of the Chaordic Age."

CURRENT CONSULTING PROJECTS:

Human capital is the most critical and time sensitive factor for any organization. This section gives you a feel for current critical HR and management issues our clients face.

- Coaching a CEO around managing HR
- HRIS Change Management
- Stock option plan strategy
- Philosophy around compensation
- Performance management
- Outsourced coaching/managing of HR senior staff

SEARCH PRACTICE:

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

CURRENT SEARCHES:

HUMAN RESOURCES SEARCH PRACTICE:

Vice President of Human Resources (South Bay)

Exciting, highly profitable publicly held entertainment/software company with new executive team seeks to bring in top HR executive. Please have large company Best Practices and have grown an organization to over a few thousand. Prefer recent executive-level generalist experience in the

software/entertainment industry, plus expertise in organizational development, compensation, benefits, and HRIS; talent acquisition, employee communications, HR planning, and performance management. Email your resume in MS Word format to recruiting@vfandco.com.

Business Partners (Mid Peninsula)

As a member of the HR team, provide support in the functional areas of People & Leadership, including full life-cycle recruitment and selection, employee relations, compensation and benefits administration, personnel records, organizational development, training and special projects. This individual may assist in the development and implementation of human resource policies and procedures and dissemination of information to employees. BS in human resources, Business or related field with a minimum five years' corporate human resources experience. PHR, SPHR or behavioral interviewing certification preferred. Email your resume in MS Word format to recruiting@vfandco.com.

HR Rep/Manager (Mid Peninsula)

Hot, profitable company with good work/life balance, targeted to do IPO next year seeks HR Representative/Manager. Must have up-to-date generalist experience, plus expertise in compensation/benefits, strategic staffing, strategic employee communications, planning, and performance management. Email your resume in MS Word format to recruiting@vfandco.com.

Human Resources Senior Director (MA)

For a Massachusetts-based biotech company, a Human Resources Director with full strategic and tactical human resources responsibility. Looking for a sophisticated, self-starting human resources executive with a best practices tool kit from combination of large and small companies, pharma/biotech experience desired. Strong depth in compensation and M&A required. Superb generalist skills and high flexibility/client services focus a must. Email your resume in MS Word format to recruiting@vfandco.com.

Human Resources Director/Manager (Temecula, CA)

Human Resources Director/Manager (contract to full-time) reporting to an elected council for a 175-person, rapidly growing sovereign Indian Nation. This position is responsible for polices and procedures, recruiting, ER, performance management, training, and other administrative functions. Ethical, self-starting professional with clear communication skills, employment/labor law expertise who genuinely likes working with diverse groups and contributing to a valuable cause. Strong skills in influencing and managing progressive change. Prefer experience in government or not-for-profit sectors. Competitive compensation package plus extremely robust benefits. BS/MS/MBA in Business, HR, or Psychology/Sociology preferred; with a PHR/SPHR and other HR certifications. Email your resume in MS Word format to recruiting@vfandco.com.

Sales Compensation Manager (Sunnyvale)

Sales Compensation Manager for world-class networking company. Ideal candidate will demonstrate a highly successful career in Compensation, with a core competency in Sales Compensation. Ability to work closely with company's sales organization to develop the incentive plan strategy, design and implement worldwide sales, system engineering, customer support and professional services compensation programs (including job evaluations, job leveling tools and salary structures). Deep understanding of emerging sales compensation trends and best practices combines with excellent analytical skills. Proven aptitude to create, develop or modify programs or processes to solve complex problems for which no existing policies exist. International compensation experience is a plus, specifically with Sales Incentive Programs. 5-7 years of progressive compensation experience, with a

blend of startup and large corporations. Bachelor's degree, in Human Resources related studies or Business Administration, required. Advanced degree desired. Email your resume in MS Word format to recruiting@vfandco.com.

HR Business Partner (Sunnyvale)

HR Business Partner for one of the fastest-growing companies in Silicon Valley. Provide HR consultation in compensation, staffing, employee relations, organizational development, performance management, succession planning, benefits, and international HR. Candidate must possess a minimum of eight years HR generalist experience and will be responsible for managing HR strategies including compensation, benefits, HRIS, employee relations, management and organizational development. BS in HR, Business or related field preferred. PHR, SPHR or certifications preferred. Email your resume in MS Word format to recruiting@vfandco.com.

INTERNATIONAL SEARCH PRACTICE:

Reliability Engineer Japanese-speaking (Silicon Valley)

Working with the advanced R&D team, perform reliability assessments of high-density LED arrays. Conduct complex reliability and failure analysis; document root cause of failure analysis and corrective actions in appropriate formats. Design reliability tests and failure analysis techniques. Must have at least a BS in Engineering, five years of experience in the opto-electronics industry in testing and reliability, understanding of semiconductor reliability physics with an emphasis on III-V semiconductors, understanding of reliability predictions and calculations, and be bilingual Japanese/English. Email your resume in MS Word format to recruiting@vfandco.com.

CONTRACT POSITIONS:

Email your resume in MS Word format to recruiting@vfandco.com.

Training Consultant (Southern California)
Trainer (Southern California)
Compensation Consultant

VF&CO INTERNAL POSITIONS:

Email your resume in MS Word format to recruiting@vfandco.com.

Communications Coach with Ph.D. in Communications Theory or Persuasion Career Counselor, minimum of MS, CMP preferred

RECENTLY CLOSED SEARCHES:

CFO-Healthcare/Financial Services (San Mateo)

Vice President, Human Resources-Healthcare/Financial Services (San Mateo)

Assistant to the CEO-Life Sciences (Palo Alto)

Vice President, Professional Services--Software (Sunnyvale)

Vice President of Human Resources--Software (mid Peninsula)

Change Management Consultant-Financial Services (SF)

Director, Human Resources--Life Sciences (Mountain View)

Vice President, Sales--Semiconductor Component (Asia-Pacific)

Vice President/ Director, Human Resources--Consumer Products (upper Peninsula)

Vice President of Human Resources--Software (mid Peninsula)
Director of Business Development and Channel Sales--Software (EMEA)