

THE CLIENT:

A large high tech corporation, located on the West Coast in the U.S., The client was returning to its core business. It divested itself of several businesses including a small business unit that designed hardware and software in a non-core market.

THE OBJECTIVES & THE ISSUES:

The new CEO required Human Resources strategic planning and program design services that would support the business goals including the transition of the organization to a new desired culture with entirely new HR programs and services.

The desire of the CEO was to transition the inherited group of people, with a large company mentality (many resources), hardware (linear, rigid thinking) mindset, which was in the 'red', to a resilient, flexible, lean and profitable organization. Employees were primarily located in the U.S.; however, there were employees in China, Hong Kong, Canada and the U.K.

To complicate matters, as a result of a strategic decision to outsource manufacturing and hardware design, there was a workforce plan requirement to downsize and replace skill sets, as well as hire new skills and become a software design only organization. In addition, the lifeline from the larger corporation had a life of 30-90 days in terms of support programs (manufacturing, benefits, HRM, and compensation, for example) and new policies & practices were required. A key issue here was our inability to provide the same level of services and programs as were available to a larger corporation.

KEY RISKS

- Retention of Key employees while transitioning in/out software/hardware skills
- Leadership that were no longer a good 'fit'
- Outsourced services that needed to be tightly bound to the organization
- Employee motivation during transition of programs and culture.
- Keeping a focus on the Customer

SOLUTION DESCRIPTION

- Articulate the desired culture and organization design
- Weave desired behaviours (to support culture) into all HR programs (i.e. ensure that performance evaluations consider desired behaviours and reward same, see "Wheel").
- Develop a workforce transition plan to match the engineering roadmap and resolve any performance or culture fit issues.
- Link Human Resources conceptually and systematically to the business goals
- Develop communication processes that reflect flexibility and urgency and allow the CEO to reiterate important messages.
- Develop new hire orientation program that clearly articulated the new environment in order to ensure no 'old culture creep'.
- Design new stock option program for all employees and communicate the value of ownership relative to the business goals to ensure 'buy-in'
- Incorporate the stock option program into annual rewards, leadership development and succession planning programs.
- Conduct employee satisfaction surveys annually
- Conduct 360 Leadership Surveys annually and incorporate into the annual performance evaluation and development plans.

IMPLEMENTATION TIMELINE

Aside from the imposed timelines from the previous Headquarters, the transition was expected to take, overall, two years. Projects ran concurrently, however, some held priority such as the workforce plan, recruiting strategy and orientation. The timing of the spin off was such that articulation of the desired culture, for example, preceded all program design in the areas of performance evaluation, stock option allocation and leadership development in order to incorporate and reward the appropriate behaviours.

RESULT

The CEO committed to the HR initiatives as defined and subsequent implementations. As partners we replaced some of the leadership and employees that were unable to transition due to inappropriate skills or behaviours.

Attrition was tracked in terms of voluntary and 'company action'. Company action included performance issues as well as layoffs in order to track results against the strategic plan. At the end of Year Two, the skill set transition was complete and in spite of the number of company actions, key employees were retained and the number of employees doubled.

In addition, new compensation plans were in place along with all of the planned programs. The Organization was in the black by the third year and is still in operation.