

Surviving Downsizing

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Will Tate

Management Alternatives, Inc.

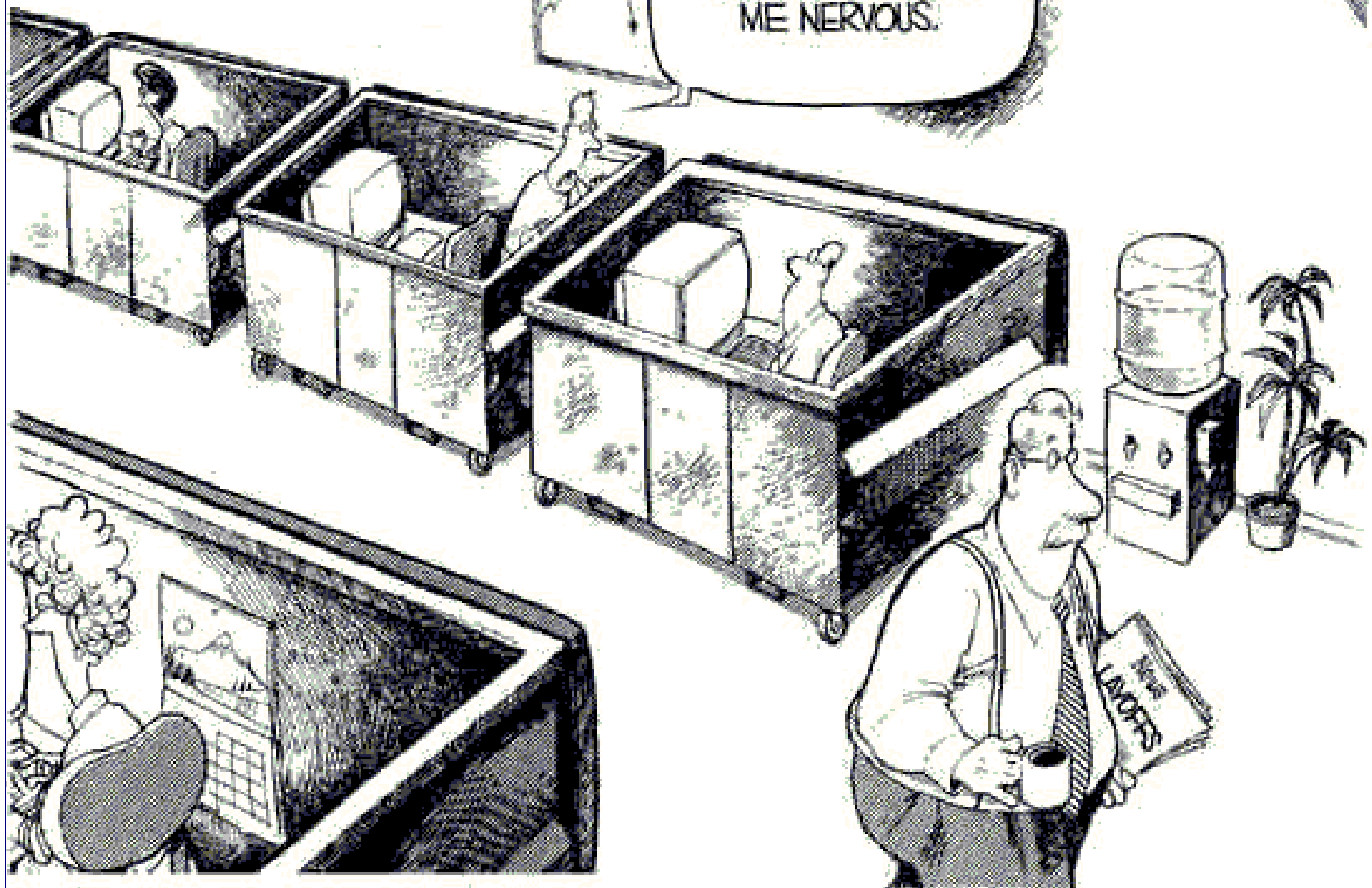
willtate@manage-alt.com

972-599-2833



"I'm sorry, Tom, we're downsizing and, well,
you're the tallest."

THESE NEW
CUBICLES MAKE
ME NERVOUS.

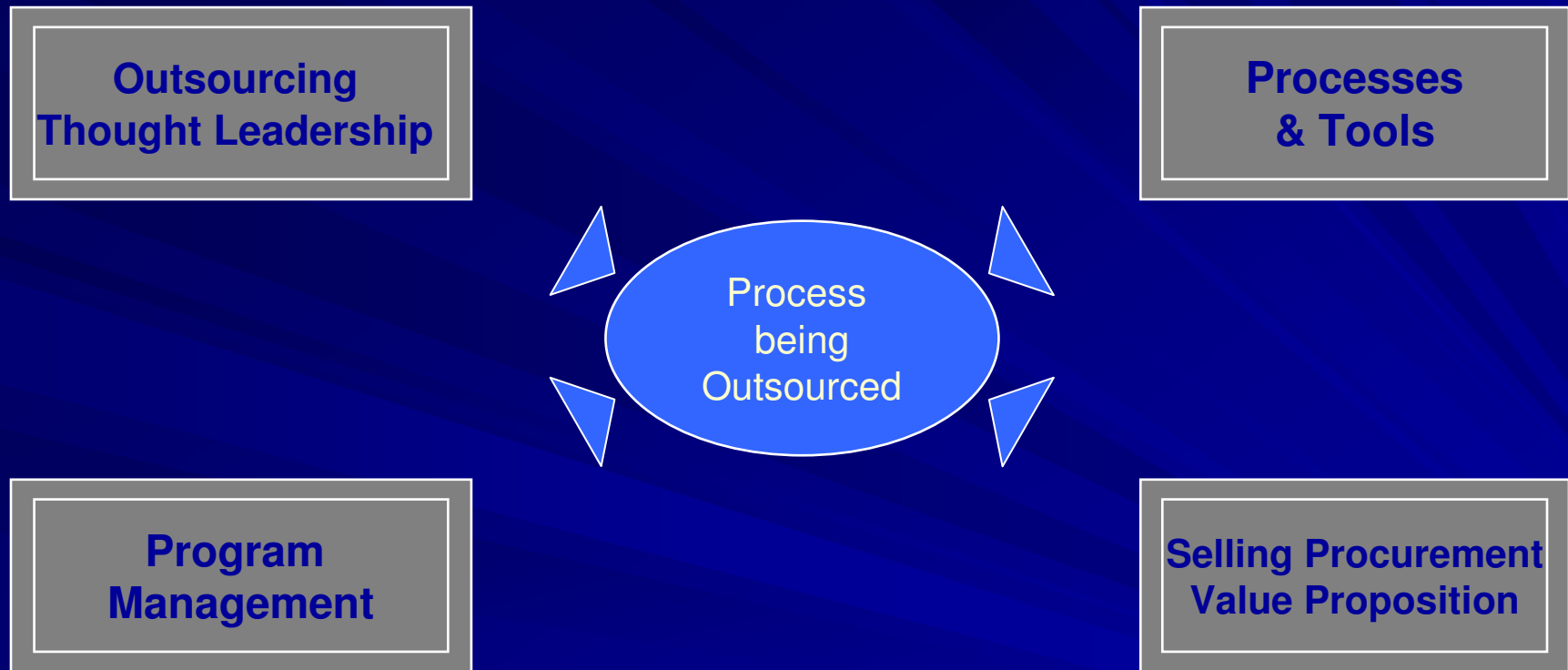


Agenda

- Outsourcing Strategies
- Travel Strategies
- Hiring Strategies
- Survival and Second Acts

Outsourcing Strategies

Role of Outsourcing



The Outsourcing will provide a platform to capture, drive and optimize outsourcing outcomes for our company. This will be achieved by leveraging procurement leadership, strategy, processes, tools, and methodologies to demonstrate value to our internal customers through a well articulated communications plan

Goals of Outsourcing

Outsourcing Thought Leadership

▪ *Where are the primary drivers and value creation opportunities for our company?*

- Strategy Development
- Organizational Alignment
- Opportunity Identification and Quantification
- Cost & Value Justification

Processes & Tools

▪ *What are the processes and tools that will create successful outcomes?*

- Methodology for process and cost analysis
- Standardized templates for cross functional deployment
- Benchmarks/Best Practices
- Reasonability Standards

Program Management

▪ *How do we capture, execute and monitor enterprise-wide projects in Outsourcing?*

- Business Unit representation
- Project capture & execution support
- End User facilitation
- Tracking of costs and outcomes

Selling Procurement Value Proposition

▪ *How can we best position procurement to enhance credibility with stakeholders?*

- Interviews & workshops with stakeholder communities
- Proactive change management
- Road shows to demonstrate value creation at the process and business unit level

Definition of Outsourcing

- By definition, outsourcing takes place when an organization transfers the ownership of a business process to a supplier:
- The key to this definition is the concept of “transfer of control” with the associated risks and responsibilities
- Outsourcing is different from a relationship where the buyer retains control of the process (e.g., staff augmentation or contracting)
- In outsourcing, the buyer does not instruct the supplier how to perform its task but, instead, focuses on communicating the results and outcomes the buyer wishes to see; the buyer then leaves the process of delivering those outcomes to the supplier

Types of Outsourcing - Overview

Approach	Intent or Objective	Complexity
Out-tasking	Outsourcing of a narrowly defined segment of business on a short term basis with sustained high levels of client management	Low
Tactical Outsourcing	Outsourcing to support an immediate business requirement (generate savings, reduce head-count) or resolve a performance gap	Medium
Strategic Outsourcing	Outsourcing to deliver non-core business processes through suppliers that have specific core competencies in the required business capabilities	High
Transformational Outsourcing	Outsourcing to redefine the business by leveraging the expertise of external specialists to effect fundamental changes to the enterprise	Very High

Why Outsource?

Capture And Accelerate Significant Savings

- Inherent cost advantages due to large salary and real estate differentials
- Gain operational flexibility and rapid scalability
- Offshore contracts can be structured to eliminate uncertainty and volatility of savings

Enhance Skills And Address Operational Issues

- Improve resource capabilities, by selecting from well educated, experienced and motivated labour pools
- Improve services, speed to market and client satisfaction through access to advanced capabilities (e.g. 24/7 operation centres, automated processes)
- Enable management to increase focus on core business functions

React To Market Pressures

- Gain competitive advantage – get in front or at a minimum stay inline with competitors
- Become more responsive to client / market shifts (e.g. enter new markets with reduced risks and compressed time, addressing scalability issues)

Build A Resilient Organisation

- Opportunity to globally distribute operations, enabling back-up and rapid disaster recovery capabilities

Managing Outsourcing

From Current  **To New**

- Design processes
 - Determine and procure resources
 - Hire and develop people
 - Execute processes
 - Assure quality
 - Manage projects
 - Meet stakeholder expectations
 - Assess and manage risk
- Collaborate on process design
 - Set expectations in line with contractual agreements
 - Communicate requirements and validate understanding
 - Provide access to company resources
 - Audit outputs and deliverables and collaborate on corrections
 - Issue escalation and resolution
 - Collaborate on projects
 - Manage internal stakeholders
 - Assess and manage risk

New Environment – New Skills

- Part of transition...not as an afterthought
- People need different tools to work in the new environment
 - Contract education – what did we contract for?
 - Understanding the governance model
 - Service provider relationship management
 - Service level agreements, operation level agreements, KPIs
 - Using action logs and root cause analysis
 - Working in virtual teams
 - Change Management
 - Communication skills across different companies
 - Cross cultural skills

Travel Strategies



*“Thanks to the poor economy, we had to
downsize your company vehicle.”*

Creating your Value

■ Five C's

- Committed (Proactive)
- Challenges Overcome (Solution Oriented)
- Communication (Clear and Constant)
- Creativity (Innovation)
- Contribution to Value

Creating your Value

■ Two P's

– Partner

- More accomplished together than alone
- Shared Success yields shared futures

– Publish

- What has Worked
- What was recommended (even if not used)

■ The “Brand” is YOU!

Value Creation Tips

Strategic

- Develop and evolve future state design
- Realign the relationship as business intent changes
- Facilitate joint planning
- Manage and report on initiatives and projects as a portfolio

Tactical

- Update and modify service level metrics and objectives as necessary
- Prioritize and evaluate new business requests
- Manage changes in scope
- Re-align expectations and priorities
- Ensure that all contract changes are adequately documented

Internal

- Communicate accurate & timely performance reporting
- Continually align expectations and performance
- Conduct performance reviews with the business units
- Own the stakeholder satisfaction measurement process

External

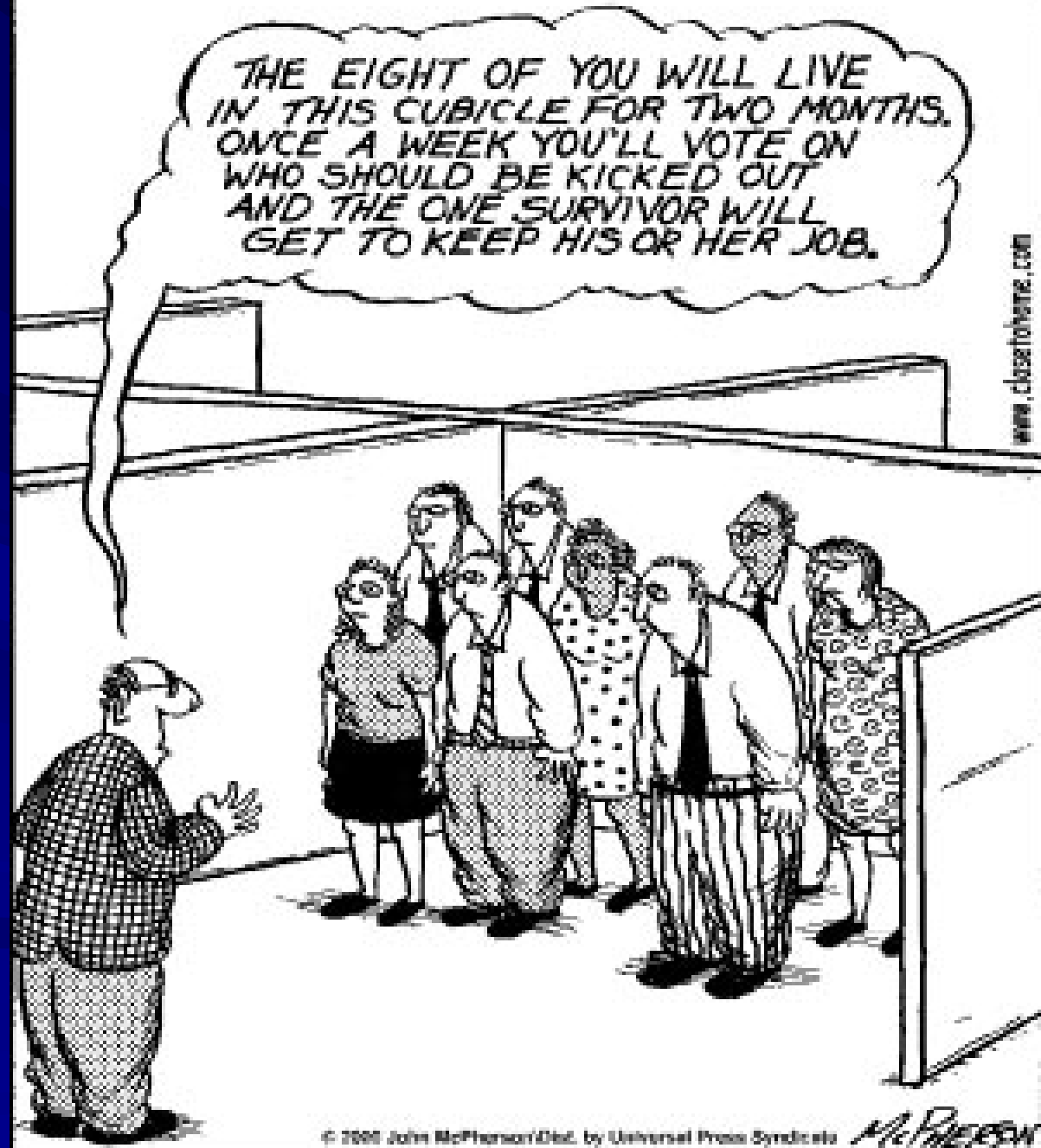
- Liaise between business stakeholders and service provider to facilitate collaboration
- Prepare and deliver bi-directional communications between client and service provider
- Join in networks to gain insight and access to benchmark information, best practice, industry trends

Survival Strategies

Inspired by Popular TV Shows...

9-12

e-mail: CLOSETOHOME@COMPUSERVE.COM



Survival Strategies

- Rebuild and manage cooperative relationships with superiors, subordinates, and peers around the company.
- Get out of your "silo" and build bridges with other departments, functions, and divisions.
- Become a team builder and active member of multifunctional teams.
- Initiate and nourish external relationships with customers, suppliers, and even competitors.
- By Wayne Baker, Ph.D.

Survival

“Getting down sized is not a death sentence,
It’s a red flag that it is time for a second act”

“You have to get the calendar out of your
life. You cannot compare yourself to
anyone else. It has to be a custom job”

Second Acts – Stephan Pollan – Harper & Collins

Second Act Tips

- Getting a “Second Act” usually comes down to money.
 - Part time job
 - Increase rates (if self employed)
 - Relocate to lower cost of living
 - Borrow from bank
 - Borrow from retirement plan

Reality Check

- Talent alone will not save your job
- More training will not save your job
- Government will not save your job
- You need more than you to save your job
- **You need a network**

What is a Network

“A network is an organized collection of your personal contacts and your personal contact’s own networks. Networking is finding fast whom you need to get what you need in any given situation and helping others to do the same”

Harvey MacKay

How to Network

“For most people, networking is a learned behavior....it is gradual-and often painful-process of trial and error, small steps and finally a few breakthroughs.”

Harvey Mackay , Dig Your Well Before You're Thirsty

What Can a Network Do?

- Group strength
- My network can help your network
- Your network can be global
- New experiences and knowledge
- Help you help others
- Job Security? Rely on your network
- Make you look good

Where to Network

- Alumni Clubs
- Industry Associations
- Social Clubs
- Hobbies

Networking Suggestions

- Take Interest
- Adopt a role model
- Take lessons
- Keep taking lessons
- Join up
- Have faith

Have Faith

“You can make more friends in two months by becoming really interested in other people that you can make in two years by trying to get other people interested in you.”

Dale Carnegie



"You should check your e-mails more often. I fired you over three weeks ago."

Reactions to Downsizing

- Shock
- Anger
- Surprise
- Emotions
- Practical Problems

The Five Emotions

- Anger
- Shame
- Fear
- Sadness
- Self Pity

Dealing with Change

- Change Happens
 - The goal posts keep moving
- Anticipate Change
 - Be ready for the next move
- Monitor Change
 - Keep tabs on what is moving

Dealing with Change

- Change

- Move with the new goals

- Enjoy Change

- Take on the challenge and relish in it

- Be Ready to Change Again and Again

Dr. Spencer Johnson – Who Moved My Cheese!

Decision Making

- Clarify and organize your thinking
- Appraise your strengths and marketability
- Understand the marketplace
- Determine your options
- Weigh your alternatives
- Develop a set of action steps

Career Decisions

- What are your values?
- What values are most important to me?
- How will the situation affect my goals?
- What are my interests?
- What have I accomplished?
- What are my skills?
- What did I like to dislike about my work?



Bennett THE CHRISTIAN SCIENCE MONITOR

Action Steps

- Review career background and future needs
- Identify accomplishments and skills
- Assess career
- Analyze results
- Decide on career goals
- Prepare resume
- Plan marketing strategy

Action Steps

- Prepare for Networking
- Target preferred companies
- Prepare marketing letters
- Practice interviewing skills
- Evaluate progress
- Negotiate salary
- **ACCEPT JOB!**

Additional Material

**Parting Company – *How to Survive the
Loss of a Job and Find Another
Successfully***

IF THERE WAS JUSTICE IN THE WORLD...



"SORRY, THE BOARD IS OUTSOURCING YOUR JOB TO A GUY IN INDIA WHO'LL BE CEO FOR A TENTH OF YOUR SALARY."