

hrSPECTRUM

Cornell Center for Advanced Human Resource Studies

Working at the Edge of Chaos

Are Complexity-Based Agile Enterprises Better Aligned with Today's Reality?

"We live in tumultuous times." These opening words of a working paper by Cornell researcher Lee Dyer and colleague Jeff Ericksen (University of Illinois), released in January of this year, were perhaps more prophetic than even the authors could have imagined.

Desperate times call for desperate measures, the saying goes, so Dyer's proposal for a radical new form of workplace organization, the complexity-based agile enterprise, may resonate more now than at any other time. Drawing from the stream of complexity science literature that analogizes organizations to ecosystems, Dyer proposes that the most effective response to the unpredictable, rapidly changing business climate is an organizational form that mirrors that complexity and nonlinearity of nature. A form that maximizes the organization's ability to anticipate and respond to change in real time. A form that's not a structure, in the sense of a traditional bureaucracy or hierarchy, but an arrangement that allows a natural process to unfold, whereby employees (Dyer prefers to call them participants) work almost as independent agents forming temporary, project-specific collaborations, with the latitude to make changes as the need arises, and to generate a steady stream of innovative, creative

ideas, only some of which might work. In encouraging a lot of experimentation, it is a model that necessarily tolerates a lot of short-term failure.

Expecting employees at the front line to make decisions on the spot about service or product delivery, development, or

resource allocation can open up the possibility of poor decisions, but the decisions are made rapidly and by those who are in the best position to evaluate the situation. Dyer notes experiments at Hewlett-Packard and Eli Lilly showing that agents on the ground were superior to highly trained professional staff in discerning market movements. Through the

process of collaboration and competition, participants in self-organizing enterprises make hundreds of decisions at every level, all of which can affect the others.

Eventually, strategic cycles emerge that explore, exploit, adapt, and finally know when to abandon products or ideas. In its complexity and randomness, it is an exquisitely sensitive process that reflects, and symmetrically responds to, the unpredictability of external forces, and it is how organizations gain competitive advantage.

The challenge to working at the edge of chaos is not to descend into chaos. The authors describe how this is accomplished

The challenge to working at the edge of chaos is not to descend into chaos

In This Issue

- 1 Are Complexity-Based Agile Enterprises Better Aligned with Today's Reality?
- 2 HR Executive of the Year Award
- 3 Up Close with Gareth Williams of Diageo
- 4 SK Group Custom Training
- 6 CAHRS and NAHR Top Seat Executive Program
- 7 Fall 2008 HR Strategy Course Charts New Direction
- 8 HR Issues in Asia-Pacific
- 9 Save the Date
- 10 Graduate Students Interact Executive Compensation Working Group
- 11 CAHRS Fall Sponsor Meeting
- 12 Events Calendar



in terms applicable by HR practitioners. Agile enterprises do not impose work rules, but there are operating norms that keep the process from spinning out of control. These values are developed by the employee-participants themselves, who reinforce them with each other every day. It follows, of course, that staffing becomes even more important in agile enterprises than in traditional organizations: the need to hire people who thrive on independence.


And that is not easy to do. Dyer cites a recent survey of 2,000 knowledge workers in 32 countries, which found that only 25 percent could be classified as agile performers—that is, self-starters with both technical and interpersonal skills, creativity, and tolerance for ambiguity.



Cornell University

Two CAHRS Board Members Recognized for Achievement in Human Resources

Randy MacDonald, Senior Vice President, HR at IBM was named 2008 HR Executive of the Year by Human Resource Executive Magazine in Chicago October 16, 2008. Randy was honored for extraordinary vision, strategy, direction, leadership, and service which include his work as a CAHRS Partner, Board Chair 2001-2004 and continued Board membership.

Present CAHRS Board Chair **Eva Sage-Gavin**, Executive Vice President HR, Communications and CSR, GAP Inc. was among the five winners of the HR Honor Roll for her extraordinary work as an HR leader. Both Eva and Randy were selected by previous award winners, HR thought leaders and *HR Executive* magazine's editor from a distinguished pool of candidates. 



Randy MacDonald
and **Eva Sage-Gavin**

J. Randall MacDonald IBM Corp,
Barbara Baker Umpqua Holdings Corp,
Bridget Atkinson GTSI Corp.,
Eva Sage-Gavin Gap Inc.,
Rich Floersch McDonald's Corp.,
Bruce N. Pfau KPMG LLP.

Continued from Page One

Are Complexity-Based Agile Enterprises Better Aligned with Today's Reality?

Dyer suggests that utilizing on-demand recruiting services, who specialize by competency, may be one way to recruit potential agile performers with some degree of efficiency.


Does this mean that a workforce composed almost entirely of temporary workers is the ideal employment strategy for maximum flexibility? Dyer cautions that the right blend of regular and temporary employees must be determined on a situation-specific basis: too many short-term workers can compromise firm-specific knowledge and erode the fluidity of interactions among people who are essentially strangers.

Even with protocols in place, many employers might balk at the prospect of allowing as much freedom and independence as Dyer suggests in his model of self-organizing. But there is a self-correcting feature in such a system: employees who are truly incompetent (as opposed to only temporarily so, fumbling in the course of experimentation and risk taking) have nowhere to hide in agile enterprises. Because there are no permanent hierarchies, no one can stand aloof or hide behind a boss or coworker. The process of ongoing evaluation and feedback by team members naturally weeds out those who consistently fail to perform.

If anything, Dyer identifies overwork as a potential pitfall: self-organizing, highly motivated participants might ignore the non-work aspects of their lives, which can be counter-productive

in flattening identity and leading to peer pressure to make "time poverty" a status symbol (he reminds us that appropriate levels of time commitment will differ among participants). Here again, the author cautions that traditional solutions to work-life balance—day care, working from home—may serve only as enablers of overwork. He suggests the encouragement of a clear delineation of work time. (It was noted at the outset that his concept is radical.)

Other processes that foster the creation of self-organizing systems are flexible physical workspaces that facilitate interaction, and advanced communication technologies that allow the free exchange of information by all members of the organization.

The promise and pitfalls of complexity-based agile enterprises can be seen as two sides of the same coin. Uncertainty is the trade-off for creativity and agility: there are no guarantees, but so much trial and error increases the likelihood that highly successful ideas and products will be generated just when they are needed. 

For more information regarding this research please contact Lee Dyer via email: lld3@cornell.edu, or Tel: +1.607.255.8805. This article references research from the CAHRS Working Paper #08-01 which can be found on our web site: www.ilr.cornell.edu/cahrs/paper.html

Up Close with ...

Gareth Williams of Diageo

Although Diageo may not be a household name, if you have enjoyed an adult beverage lately, it is quite likely you've patronized the Diageo brand. Diageo is the world's leading premium drinks business with brands including Johnnie Walker, Smirnoff, Guinness, Baileys and Captain Morgan. Gareth Williams leads human resources for this well respected and very global company.



Gareth Williams

Gareth's experience in this industry is substantial. From 1990 to 1994 he served in a series of HR roles in GrandMet's North American Spirits and Wine division (IDV), before returning to the UK to become group organization and management development director of GrandMet. In 1996 he became HR Director for IDV's global business and in January 1998 took the same title in UDV following the merger of Guinness and GrandMet to form Diageo. Prior to joining GrandMet, he served 10 years with Ford of Britain in various personnel and training roles.


Gareth cites that experience at Ford Motor Company was part of his preparation to lead HR for Diageo, which operates in 180 markets and 80 countries with 25,000 employees. "I had some stretching roles at Ford both in terms of what I was expected to do and the contextual situation—a very demanding employee relations environment that was highly complex and politicized." What made the difference for him? "I worked for several HR leaders who really believed in me."

Gareth grew up in Wales and attended Warwick University. "I valued the reality of 'stretch' at the formative part of my career—both what I was challenged to do and what possibilities I set for myself—and this has stayed with me and frames

how I think about leading people today."

Another piece of the puzzle that helped Gareth grow into an executive role was moving to the U.S. in 1990. "I was working for GrandMet which had acquired Heublein over a couple of years previously. I was only the third person to go into Heublein from the parent company."

It was in this situation that Gareth honed his ability to deal with ambiguity. "I was in a new corporate culture, a new company, and a new country. It challenged my comfort zones. I had to acknowledge what I didn't know and seek every opportunity to learn from people around me. Equally, I had to trust my strengths and judgment to ensure I contributed to the business from day one." Gareth firmly believes that aspiring HR leaders should seek out opportunities to deal with and learn from change.

As he looks toward the future of Diageo, what is important? "We are determined to create a very special and enduring company," he says. "The key to that, beyond the obvious attributes of outstanding governance and fiscal management, is leadership. We are very focused on creating an authentic and compelling cadre of leaders who think, behave and perform in a manner that gives us a sustainable competitive advantage. That is going to be particularly true in the turbulent and unpredictable times all of us are now experiencing. Exercising the right leadership judgment across every aspect of our business will be key to Diageo emerging as an even stronger business for the future." 

Diageo joined CAHRS in 2005 the 'Up Close with' profiles feature interviews with leaders of CAHRS partners.

7th Custom Program

SK Group HR Executive Development Program

This past August CAHRS welcomed SK Group to their 7th Custom HR Executive Development Program at ILR in 13 years. SK Group is a diversified company based in South Korea. The program began August 27, with the arrival of thirty Human Resource Managers, selected from over fourteen divisions, to attend this year's executive development program.

The group started off with a site visit to Air Products and Chemicals with an overview of several of Air Products global HR activities and processes. The visitors also heard from Bob Dixon, Senior Vice President and General Manager, Merchant Gases. The SK visit to Air Products came as a result of the participation by Lynn Minella, Senior Vice President, Human Resources and Communications. "We were of course honored to have the SK team here," says Minella. "While the main purpose of their visit was to gain insights into our global HR practices we also had the opportunity for two-way discussions, so we learned about their HR practices as well. It was an excellent opportunity for our team to gain a perspective on how SK is addressing the strategic HR challenges in their company."

ILR Dean Harry Katz started the program with presentations on Global Labor Management Relations Emerging Trends, followed by Patrick Wright's HR's Role in Strategy. During the training educational lectures were given by ILR Professors and CAHRS which included Pam Stepp, Brad Bell, Kevin Hallock, Rosemary Batt and John Haggerty. The development theme for this year's training emphasized Global HR, and encompassed presentations beginning with Leadership Development and the Role of Personality,




Thirty SK HR Managers and CAHRS

Developing High Potential Talent, Measuring Risk and Return Generally and at SK, Executive Compensation, Services Management—Integrating HR Management, Operations and Marketing, and HR's Role in Innovation and Growth.

As a grand finale, the SK Group managers visited Sun Microsystems and Hewlett-Packard in California. Marian Davis, Vice President of Strategy and Planning, hosted the group's visit showing them an overview of their HR strategies and developments. In the afternoon, the group was



hosted by Bina Chaurasia, Vice President, HR and Global Functions along with Christy Lake, Director HR Transformation, for a tour of Hewlett-Packard. The SK Managers learned about HP's Learning Solution Life Cycle, their Leadership Excellence principles, global leadership standards, evaluations and measurements. 

Executive Education

New CAHRS/NAHR Top Seat Executive Program Paves Way for Success in Chief HR Officer Role

The first Cornell CAHRS/NAHR Understanding the Top Seat: The Modern CHRO Role and Strategies for Success executive program ended October 9, 2008, graduating nine executives from companies such as Aetna, Eaton, PPG Industries, and Gap, Inc. After two sessions with some of the world's leading HR officers, attendees fully grasped how different the chief HR officer (CHRO) job is from any they've had in the past, and possessed greater confidence and a new set of skills and strategies for effectively meeting the challenges of being a modern CHRO. As one attendee said, "Assuming a CHRO role without the insights, practical advice and support system provided by this program would be a major mistake. Utterly indispensable for anyone who aspires to the CHRO role."

The nine attendees were nominated by their chief HR officers, who identified them as candidates with potential to hold a future CHRO role. The Top Seat program, a partnership between the Cornell Center for Advanced HR Studies (CAHRS) and the National Academy of Human Resources (NAHR), was designed to help increase the talent pipeline for the top HR job and better prepare HR executives for this major transition.

The CHRO of the Future: Rising Expectations

The push for creating the Top Seat program came from discussions with the CAHRS Advisory Board, NAHR Fellows, and descriptive research showing many top HR leaders felt unprepared for the rapidly changing expectations of the CHRO role when they assumed the post. Those new expectations have sparked growing recognition among headhunters and current CHROs that many internal (and external) candidates lack adequate experience or exposure—especially to board relations and executive compensation at the SEC reportable level. The Top Seat program was designed to fill this knowledge gap and improve the odds of success for the next generation of CHROs and their firms.

Extraordinary by Design

By all accounts, the inaugural Understanding the Top Seat program was a success. Attendees were impressed with the quality and candor of executive faculty, and in turn, the faculty praised the caliber of attendees. For current CHROs, this program offers three unique benefits for grooming HR leaders for the top job. First, the faculty are executives from the highest levels of the firm (CEO, board, and CHRO). Second, participants get a more accurate, in-depth view of what is expected of them directly from CEOs and board members. Finally, executives engage in frank, open discussion

of successes and failures—stories which could never be presented in a more public forum. Together, these benefits provide a one-of-a-kind experience current CHROs believe can better equip potential successors to thrive in a future CHRO role.

The Top Seat program is held in two sessions separated by a six month break, during which participants work on an action learning project. The first session is a reality check for attendees about the CHRO role, designed to provide a realistic view of the "good, bad, and ugly" aspects of the position. The second session hones in on building the skills necessary to step into a top HR job, focusing on the most sensitive aspects of the CHRO role—executive compensation, board relations, and managing the CEO relationship.

During the six month break, attendees analyzed two major issues: working with board compensation committees and creating a 100-day plan for leading the HR function. First, many CHROs acknowledge a steep learning curve for working with the board (particularly the compensation committee). To identify and anticipate the types of conflicts likely to arise in compensation committee meetings, participants analyzed their firm's proxy (or Form 10-K) and compensation disclosure statements, comparing them to those of firms with which each of their compensation committee members are associated. Second, participants began developing a plan for their first 100 days as CHRO—analyzing strengths and weaknesses of the HR function, as well as of their current peers (and potential subordinates).

Session One: Now That You're At the Top ...

The first session of the Top Seat program was held in April 2008, and featured executive faculty Eva Sage-Gavin, EVP HR and Communications and CSR at Gap, Inc., Dave Pace, retired EVP, Partner Services at Starbucks Coffee Company, Ken Carrig, EVP HR and CAO at Sysco Corporation, Elease Wright, EVP HR at Aetna, Inc., and J. Randall MacDonald,

The next Top Seat program begins November 5 in New York, NY, with the following program (Class of 2009) scheduled to begin April 1-2, 2009 in New York, NY—coinciding with the CAHRS Advisory Board meeting. Class size is limited to 15 attendees, and nomination is by current CHRO or CEO only. Nominations are now being accepted for the Class of 2009, as well as requests for faculty participation from senior HR executives.

Executive Education


Fall 2008 HR Strategy Course Charts New Direction, Hosts 3 CAHRS Partner Teams



Twenty-seven HR executives from the U.S. and around the world converged on the Cornell campus September 15-19, 2008 for HR Strategy: Creating Competitive Advantage through People—the CAHRS Executive Education flagship development course. This session marked the start of a successful move to a new format, in which companies send teams of mid- to upper-level HR generalists/managers (4-5) to the course to take advantage of a combination experience. Teams learn best practices from other companies while working together on their own firm-specific issues—the type of work from which deeper learning and transfer take place.

This fall, CAHRS welcomed teams from Aetna Inc., General Mills, and Ingersoll-Rand to the HR Strategy course. These companies used the program as a springboard for analyzing, planning, and driving an HR strategy or change effort at their organizations. To further this goal, each team came to the session with a defined business case. Early feedback from the company teams suggests the new format is ideal for learning, testing out ideas, and moving a strategic project forward for the organization.

The team from Aetna focused on identifying the impact of Generation Y on business strategy and performance, with the goal of crafting an HR strategy to better attract, develop, retain, and motivate those employees within the Aetna businesses. The General Mills team addressed a similar issue, as they focused on building a business case for increasing workplace flexibility to attract, retain, and motivate employees—and HR's role in that endeavor. The team from Ingersoll-Rand was made up of HR managers from the Ingersoll-Rand and Trane businesses, and was tasked with working on an HR strategy for effectively integrating the two companies.

Course sessions were taught by key CAHRS faculty, including Patrick Wright, Chris Collins, and Kevin Hallock. L. Kevin Cox, EVP of HR at American Express, kicked off the week with his own stories of HR strategy and change at American Express, and shared his personal models for crafting and implementing HR strategy. Participants felt Cox laid a particularly strong, passionate foundation for the week with hands-on examples and engaging questions. 

“Our primary objective when attending any conference is to identify those key tools and/or learnings that I can immediately deploy within

my organization. We are pleased to leave the ILR CAHRS HR Strategy course with both of these in our toolkit. The various models that can be used to design, test, and execute upon a strategic initiative will play a key role in the project our team will focus on upon return to the office. Our attendance at this course allowed us to take both a new look and different direction in achieving our end goal. In sum, time and money well spent.”

- Tanya Clark Robinson, Manager Employee Relations, Aetna and Anne Wentworth, HR Business Partner, Aetna

This new course format was such a success that CAHRS has scheduled a special team-only session of the HR Strategy program March 9-13, 2009 in Ithaca, NY. Space is limited to six teams (30 people), and to date, we already have commitments from four companies to attend. For more information or to register your team, contact Sarah Thompson at (607) 255-5882 or sst22@cornell.edu.

CAHRS Partner Working Group**HR Issues in Asia-Pacific**


The CAHRS working group on “HR Issues in Asia-Pacific” met October 22nd in Singapore, led by Professor Patrick M. Wright, William J. Conaty GE Professor of Strategic HR and the outgoing CAHRS Director. In attendance were fifteen HR professionals from nine different companies including Cisco Systems, Dell, Shell, Diageo, IBM, Invensys, Kennametal, Air Products, and American Express.

The professionals in attendance brainstormed over thirty different HR current challenges facing companies doing business in Asia-Pacific. Those challenges were distilled into nine main categories (see the sidebar on the right.) In spite of the fact that finding, developing/growing, and retaining talent was the most frequently mentioned challenge, when asked to choose which category they would like to work on, the group split between engaging the workforce and optimizing organizational structures. Participants agreed that while talent issues are the most obvious, they have been around for long enough that most firms have built processes for dealing with them, but that the more important current issues focused on facing up to the economic crisis in terms of optimizing structures and engaging employees during a time of downsizing.

Half of the participants worked on the engagement challenge, and noted that changes in structures, strategies/business models, leadership and workforce demographics make it difficult to maximally engage employees. Based on the company experiences of Shell, Dell, and IBM, the group identified 4 best practices for managing these dynamics. First, leaders must constantly communicate the drivers of change, the specifics of the change is ways that compel employees to understand “what’s in it for me?” Second, companies can develop caring leaders, create strong value systems, and build trust. Third, firms need to deliver strong people practices that are ingrained in the management systems and for which managers are held accountable. Finally, while change swirls around, companies should try to maintain simplicity and consistency in their strategy. This entails discouraging “change for change’ sake” and focusing on only changing things that need to be changed.

The other half of the group discussed how to optimize performance through organizational structures. They noted that margin pressures, the need for productivity increases, and increasing compliance costs focus attention on structural changes. The group discussed newer twists to existing organizational structures to reduce costs and increase speed. For instance, Cisco

has created “councils” within the existing structure that promote coordination across product and function lines. Diageo similarly set up a working group to handle the global allocation of an in-demand product in a way that maximized profitability for the corporation. Dell has reigned in the duplication that existed across the global/regional/local organization through “ruthless standardization.” Finally, both Shell and Air Products described how they had moved a number of global roles to Asia.

Finally, the whole group brainstormed some of the implications for HR capability in Asia-Pacific. They noted the need for a step-change in competencies of HR professionals in terms of their knowledge of finance and knowledge of how their businesses make money. In addition the participants agreed that HR professionals need to build a sense of courage and potentially violate cultural norms by challenging business leaders rather than simply do whatever is asked of them. Finally, HR functions need to increase both the efficiency and effectiveness of HR delivery through building shared service centers and locating them in countries where they can optimally impact the larger region. 

For more information about this CAHRS Partner working group, or if you would like to participate in our working groups, please link to our website for more information.

Current HR Challenges Facing Companies doing Business in Asia-Pacific

- Finding, Developing/Growing and Retaining Talent
- Managing talent across the diverse cultures and economies in Asia
- Integrating outside talent into the organization
- Engaging the workforce in the face of immense change
- Optimizing the impact of expatriates
- Creating a compelling employee value proposition
- Optimizing organizational structures to increase effectiveness and decrease costs
- Facing the rising threat of unions
- Reacting to changing governmental regulatory policies

Four Best Practices for Managing Engagement Dynamics

- Leaders must constantly communicate the drivers of change, the specifics of the change is ways that compel employees to understand “what’s in it for me?”
- Companies can develop caring leaders, create strong value systems, and build trust.
- Firms need to deliver strong people practices that are ingrained in the management systems and for which managers are held accountable.
- While change swirls around, companies should try to maintain simplicity and consistency in their strategy.

SAVE THE DATE

Working Group

Managing A Global Inclusive, Diverse Workplace

January 7, 2009 • Hosted by Cisco Systems • San Jose, CA

January 20, 2009 • Hosted by Invensys • London, UK

Lead by Dr. Pamela Stepp, Executive Director CAHRS, Lisa Nishii, Assistant Professor HR, ILR, and Melissa Thomas Hunt, Associate Professor, OB, JGSM.

Global Companies continue to face the issue of whether or not it is useful or even feasible to compose and use universal principles for global management. This is true for HR, as it is for diversity/inclusion management. Issues at the forefront for global diversity/inclusion include:

- Some American scholars have developed inclusion and diversity theories with the expectations to advance diversity and inclusion worldwide. When these theories are used to form policies outside of the U.S. what are the results? What experiences does your organization have with backlash to US-born diversity initiatives?
- Is it possible to establish universal policies for global diversity/inclusion management and abide by them?
- What is the optimal balance between centralization and decentralization when it comes to global diversity/inclusion management? To what extent are global policies interpreted differently in local markets (i.e., a hybrid approach)?
- Can we define universal conceptualizations of fairness? If not, how do notions of fairness vary across cultures?
- How do organizations develop the global competencies of its leaders and employees, and what role does this play in managing global diversity & inclusion?
- Should we stop using the word diversity?
- What are approaches, challenges, models, solutions?
- What are the advantages of linking corporate social responsibility initiatives with those of global diversity/inclusion?
- On what metrics should organizations focus when assessing success in global diversity/inclusion management? In what ways should organizations hold themselves accountable for global and local metrics?
- Where do we go from here with these issues?

This meeting is free of charge to CAHRS partner firms, but participation is limited to no more than twenty (20) attendees.

To attend, contact Jo Hagin at +1.607.255.9358 or email: jap7@cornell.edu.

Continued from Page Six


New CAHRS/NAHR Top Seat Executive Program Paves Way for Success

SVP HR at IBM. The executive speakers took advantage of the intimate format to share their experiences with uncharacteristic candor and openness. No topic was off limits—including mistakes made and lessons learned, the delicate balance between the needs of CEO, chairman, and compensation committee chairs, planning the first 100 days as CHRO, the challenge of execution, and working with (and surviving) multiple CEOs.

Session Two: Collaborative Leadership

When participants reconvened this October for the final Top Seat session, the focus was squarely on building the skills necessary to step into a CHRO role. Led by an experienced, engaging group of CHROs, CEOs and board members, this session hit on the most sensitive aspects of the CHRO role.

Attendees spent three intense days with executives whose HR careers collectively span over two centuries: Bill Conaty, retired SVP HR at General Electric, Howard Behar, former

president and board member of Starbucks and current board member at Gap, Inc., Bill Rosner, SVP HR at PNC Financial Services, and Rick Kelson, former Alcoa CFO and current PNC board member, Pam Kimmet, SVP HR at Coca-Cola Enterprises, Charlie Tharp, NAHR president and lecturer at Cornell's ILR School, John Murabito, SVP HR at CIGNA and his CEO, Ed Hanway, Kevin Cox, EVP HR at American Express, and John Cahill, former CEO at Pepsi Bottling Group and current Colgate Palmolive board member. From HR's future to analysis of the current hot-button issues in executive pay, faculty challenged attendees to take a hard look at their current competencies and identified key areas of development for success as a CHRO in today's complex organizations. 


For more information or to submit a nomination, contact Sarah Thompson at 607-255-5882 or [sst22@cornell.edu](mailto:ss22@cornell.edu).

Candid Discussions

Graduate Students Interact with Top HR Leaders

On Wednesday, October 15, CAHRS and ILR's Graduate Student Association kicked off a new set of speaking engagements that aims to bring HR executives and Cornell graduate students together for candid discussions. Herb Harback, Senior Vice President Talent and Strategy at CIT Group, spoke to students about his perspective on the evolution of HR generalist roles. In describing the current state of some senior HR generalists, Mr. Harback began: "You will never hear other business functions requesting a 'seat at the table.' The seat is meaningless; it is the ability to make decisions that adds value to an organization. Unfortunately, many senior HR professionals are outsourcing too much of their decision-making responsibility to others." Discussion then progressed towards what Mr. Harback described as three domains of expertise that every business leader expects their HR leaders to have: organizational change, culture, and talent. "Oftentimes," Mr. Harback continued, "HR professionals revert to preserving the organization's status quo." "To truly become a partner with business leaders," Mr. Harback asserts, "we as HR professionals must challenge ourselves to internalize what our leaders are seeking—to drive organizational change, foster cultural

change and recruit the right talent to drive the business forward." Students were able to ask questions about how this model relates to current industry trends (i.e., shorter average workforce job tenures, financial instability, shifts in compensation strategy, etc.). The session was a pleasure for both Mr. Harback and the MILR students, with Herb staying about 30 minutes after the formal discussion ended answering student's questions.

The CAHRS-GSA speaker series is meant to facilitate student's learning of what senior HR executives perceive as important trends in the field while also giving executives a comfortable venue in which to support future HR leadership talent. The series will continue in Fall 2008 with two more sessions scheduled. On November 4th Bob Calamai, Director of HR at IBM will discuss HR Strategy in the IT Industry. November 10th will bring Charlie Tharp, former Senior Vice President at Bristol Myers Squibb and current guest lecturer at ILR and Jeffrey Kridler of UTC together for a discussion with students on compensation-related topics. 

For more information about the series please contact CAHRS' Victoria Kelly (vb25@cornell.edu) or GSA President, Jesse Parr (jbp68@cornell.edu).


CAHRS Partner Working Group

Fourth CAHRS Executive Compensation Working Group Tackles Changing Issues in Executive Compensation

The fourth meeting of the CAHRS Working Group on Executive Compensation was held on September 22, 2008, at CIT Group in Manhattan. Jim Duffey, Executive Vice President and Global Head of Human Resources, from CIT, hosted the day-long session at his offices. Fifteen representatives from twelve CAHRS partner companies participated in the session.

The group discussed a wide range of issues including pay and performance, performance metrics and targets, "say on pay," severance, change in control provisions, equity, employment contracts, independence of consultants, boards of

directors, Congress and potential changes to disclosure, board recruitment, peer groups and several other topics.

A fifth meeting is being planned for some time during the Spring. The sessions are lead by Professor Kevin Hallock. "Given the financial crisis, the election, and potential changes in regulation, HR leaders are spending an increasing amount of time and energy on executive compensation," says CAHRS Research Director and ILR HR Professor Kevin Hallock. 

Please contact Kevin (kfh7@cornell.edu) or Donna Stone (dms44@cornell.edu) if you are interested in upcoming working groups.

EXECUTIVE COMPENSATION PARTICIPATING COMPANIES

American Express
CIT Group Inc.
ConvaTec. Inc.
General Mills
IBM
Ingersoll-Rand
Johnson & Johnson
Pfizer
Shell International BV
Sun Microsystems
Terex
Verizon

SAVE THE DATE

CAHRS Fall Partner Meeting

Managing the New Workplace

November 12 - 13, 2008 • Statler Hotel • Ithaca Campus

For the last decade or more, companies have experienced massive changes in competition, regulatory issues, and labor markets. In response, HR leaders have looked to restructure work and the workplace to enhance their companies' competitive position and ability to meet the challenges of the 21st century. However, it is not clear if these changes have met the current challenges and how they have positioned companies to respond to the continuing challenges that they will face in the coming years. This meeting will focus on upcoming challenges and how companies are responding through best practices in managing the "New Workplace". The program will open with a series of presentations examining the changes that are affecting the workplace including potential labor law changes tied to the upcoming elections and current litigation regarding work classification and workplace challenges created by changes in the competitive landscape and advancements in technology. In the second part of the program, we will hear from HR practitioners from leading companies and CAHRS faculty members who will share best practices regarding how to create productive flexibility in the workplace and organizational structure and HR practice solutions that respond to the new challenges in the workplace.

We encourage you and your colleagues to join us. Given the nature of the meeting, we would also suggest that the learning experience and knowledge transfer back to your company from the meeting may be greatly enhanced by attending with your labor lawyer.

WORKING AGENDA

November 12, 2008

12:00-5:00pm CAHRS Advisory Board Meeting
(Board Members Only)

6:00-7:00pm CAHRS Fall Partner Meeting Reception
(Everyone Invited)

7:00-9:00pm CAHRS Fall Partner Meeting Dinner

November 13, 2008

7:30-8:00am Continental Breakfast

8:00-8:15am Introductions

Chris Collins, Professor and Director, CAHRS
Pamela Stepp, Executive Director, CAHRS

8:15-9:15am "CIGNA: Leading Healthcare Change
By Building the Best Workforce"

*Keynote Speaker, John Murabito, Executive Vice
President, HR & Services, CIGNA*

9:15-10:00am "Risk Management"

*Susan Beauregard, Manager Global HR Shared
Services, General Electric*

10:15-10:00am "Restatement of Employment Law and
other Employment Law Developments"

*Stewart J. Schwab, The Allan R. Tessler Dean and
Professor of Law, Cornell University Law School*

11:00-12:00pm "Managing the New Workplace -
Employment Discrimination in the New Workplace"
Barry Hartstein, Morgan, Lewis & Bockius LLP

12:00-1:00pm Lunch

1:15-2:00pm "Employee Free Choice Act"

*A. J. Figliolini, American Express Research Assistant,
Cornell CAHRS*
Kelley Joy, CAHRS Research Assistant, Cornell CAHRS
*Jared Lucas, CAHRS Research Assistant,
Cornell CAHRS*

2:00-2:45pm "Pfizer's Path Forward: Introducing a
Results-Focus Flexible Environment"

*Chris Altizer, Vice President, Human Capital,
Corporate Human Resources, Pfizer*

3:00-3:45pm Diveristy in the 21 Century

*Ron Glover, Vice President, Global Diversity and
Workforce Programs, IBM*

3:45-4:30pm

Linda Carr, Senior HR Manager, Sun Microsystems

4:30-5:00pm Wrap-up

Chris Collins, Professor and Director, CAHRS
Pamela Stepp, Executive Director, CAHRS

Register online for this event:

ilr.cornell.edu/cahrs/events/111208CAHRSFALLSPONSORMEETING.html

To attend, contact Jo Hagin at +1.607.255.9358 or email: jap7@cornell.edu.

CAHRS EVENTS

2008 - 2009

- “Managing A Global Inclusive, Diverse Workplace” November 6, 2008 New York, NY
Partner Working Group, Hosted by Pfizer
- Fall Partner Meeting November 12 - 13, 2008 Ithaca, NY
Managing the New Workplace
- “Managing A Global Inclusive, Diverse Workplace” January 7, 2009 San Jose, CA
Partner Working Group, Hosted by Cisco Systems
- European CHRO Partner Working Group January 8, 2009 London, UK
HR for HR Partner Working Group January 15, 2009, London, UK
Partner Working Group, Hosted by Astra Zeneca
- “Managing A Global Inclusive, Diverse Workplace” January 20, 2009, London, UK
Partner Working Group, Hosted by Invensys
- Spring Partner Meeting April 29 - 30, 2009 New York, NY
- ILR Orientation & CAHRS Executive Roundtables August 25, 2009 Ithaca, NY
- CAHRS Executive Briefing Profiling Johnson & Johnson October 15, 2009 News Brunswick, NJ
- Fall Partner Meeting November 11 - 12, 2009 TBD

*For more information, contact Jo Hagin at +1.607.255.9358 or email: jap7@cornell.edu,
or visit our website at: ilr.cornell.edu/cahrs/Events.html*

ILR Executive Education

- HR Strategy: Creating Competitive Advantage through People March 9 - 13, 2009 Ithaca, NY
(Company Teams)
- Understanding the Top Seat: *The Modern CHRO Role & Strategies for Success*
Session One April 1 - 2, 2009 New York, NY
- HR Strategy: Creating Competitive Advantage through People September 21 - 25, 2009 Ithaca, NY
- Understanding the Top Seat: *The Modern CHRO Role & Strategies for Success*
Session Two October 6 - 8, 2009 New York, NY

*For more information, contact ILR Executive Education at +1.607.255.5882 or e-mail: ilrexec@cornell.edu,
or visit our website at: ilr.cornell.edu/execed*

ilr *Advancing the World of Work*



hrSPECTRUM is published by the Center for Advanced Human Resource Studies
School of Industrial and Labor Relations
Cornell University, Ithaca, New York 14853-3901
Phone: +1.607.255.9358 • Fax: +1.607.255.4953
Dr. Christopher Collins, Director
Dr. Pamela Stepp, Executive Director