



# HRPI

newsletter

Human Resources Policy Institute

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## Fall 2010 Meeting

The Human Resources Policy Institute fall 2010 meeting was held on October 21–22 at Boston University's School of Management. With a theme of "Risk Management—Issues and Implications for HR," the meeting brought together experts on risk management to speak with members and guests about how they can help their organizations manage risk in their operations, particularly in human resources.

Following introductions, Professor Fred K. Foulkes opened the meeting with a member roundtable discussion. Topics discussed included: healthcare reform, concierge services, social media external communications, and recruiting in China.

The first speaker was Ms. Willow Shire, Director at TJX Companies. She spoke about risk management at TJX and the lessons learned from the data breach at TJX in 2007. Following Ms. Shire's presentation, Mr. Stephen Wagner addressed the group. He and Frederick Funston authored the book *Surviving and Thriving in Uncertainty*, designed to help organizations detect and manage risk. Mr. Wagner referenced the increasing demand for risk oversight and management within corporations. He challenged members to think about whether their organizations have identified all of the key connections and dependencies relevant to their business. Specifically, how will companies sustain these connections? What are the organizations' approaches to identifying causes of failure? How does the company culture support these efforts? And lastly, how much corroboration is enough?

Following dinner on Thursday evening, Professor Mark Williams of Boston University's School of Management, spoke to guests and members about his new book, *Uncontrolled Risk*, detailing the rise and fall of Lehman Brothers and the root causes of the financial crisis.

On Friday morning, Dean Kenneth Freeman led an interactive discussion of appropriate risk-taking. He presented two roles of the CEO: to take risks and to manage risks. A CEO must take risks in order to realize a reward; he/she must also manage risks and create an appropriate risk-taking culture. For example, Dean Freeman noted that Bank of America, General Motors, and AIG were once industry leading companies, but inappropriate risk-taking led to their downfall. It is the risks a CEO does or does not take that define a company.

Dean Freeman also discussed management teams in terms of performance and behavior. Drawing a chart with the two variables, he noted that few teams are high-performing without having positive behaviors. In fact, most teams over-estimate where they are on the chart. He stressed that behaviors and results are not one in the same. If an organization has a good strategy and brings in talented people aligned with the company's values, the company will see good results. But some companies have great behaviors and poor results, or poor behaviors and great short term results (although these companies typically end on a sad note). In turnaround situa-



**ABOVE:** Professor Fred K. Foulkes commences the roundtable discussion. **BELOW:** Professor Mark Williams of Boston University's School of Management.



Meeting report continued on page 6



## Career Development for Managers with Disabilities

At the UCLA Leadership Institute for Managers with Disabilities, mid-career professionals get help taking their careers to the next level. Designed for individuals with at least five years of management experience, the Institute examines topics such as leadership styles, mentoring and personal development, organizational savvy and strategic leadership. All content is taught through the lens of this particular demographic group.

Founding sponsors of the program include IBM, PepsiCo, Fannie Mae and The Society for Human Resource Management. The first session was funded in part by the Department of Labor's Office of Disability Employment Policy.

"Targeted Development for Managers with Disabilities", [www.shrm.org](http://www.shrm.org), July 21, 2010

## Addressing End of Life Care

Balancing the demands of a care giving role and a full-time job is no easy task and many companies acknowledge this by providing various supports to employees who assume these two roles. Now, some companies are addressing an even more difficult need by assisting employees who need help managing end-of-life and palliative care. At Pitney Bowes, employees caring for a loved-one with a terminal illness can avail of such supports as financial and legal resources and tutorials, as well as counseling on hospice and palliative care and flexible work arrangements. The company, along with GE, PepsiCo and IBM, is also working with the National Business Group on Health to design an end-of-life toolkit for employers to help them assist employees and caregivers who have received a life-limiting diagnosis.

"Firms Help Workers Provide End-Of-Life Care", [www.npr.org](http://www.npr.org), August 10, 2010

## ROWE Success at Gap, Inc.

In an effort to retain key staff in San Francisco, a city with many opportunities for retail specialists, HR executives at Gap, Inc. opted to experiment with Results-Only Work Environment (ROWE). Having seen in exit survey data that work/life flexibility was always among the top three reasons for leaving, the company initially offered ROWE to the production and technical design teams in the outlets division—an area where employees often worked odd hours to collaborate with teams in Europe and Asia. For ROWE employees, turnover dropped to seven percent in 2008 from 21 percent in 2007 and employee engagement scores soared to 82 percent from 69 percent the year before. The program was expanded to all outlet employees at corporate headquarters in June 2009 and employee engagement scores increased to 88 percent and turnover remained at seven percent.

To ensure employees don't feel they have to work at all hours, there is an unwritten rule that meetings and collaborative efforts take place between 9a.m. and 5 p.m. so nobody is forced to comply with a co-worker's odd hours.

"Anytime, Anywhere", [www.hreonline.com](http://www.hreonline.com), August 3, 2010

## Greening for the Grassroots

At PepsiCo, employees with an interest in sustainability issues were allowed to create grassroots groups to focus on a number of sustainability issues. One effort, led by the PepsiCo Chicago Green Team helped the company achieve Platinum LEED status at their Chicago facility. Employees were encouraged to get involved in the project by participating in a three-month contest that challenged employees on all 16 floors of the building to see which floor could achieve the biggest reductions in electricity and paper consumption. Prizes were awarded and use of electricity and paper decreased by 20 percent.

"Encouraging 'Green Teams'", [www.hreonline.com](http://www.hreonline.com), June 22, 2010

## Recession Spawns New Breed of Entrepreneur

The recent recession has given rise to a new type of entrepreneur. "Necessity entrepreneurs" are former company employees who lost their jobs, have not been able to find new ones, and have decided to go ahead with an entrepreneurial venture. According to

CareerBuilder.com, more than a quarter of newly unemployed workers in the first half of 2010 considered starting their own business.

Experts differ as to whether this is a wise strategy. Financing has been difficult to obtain and decreased consumer spending has made it difficult for small businesses to establish a market share. However, others counter that, while it is a risky undertaking, starting a small business may offer more opportunities for personal success than seeking a regular job.

"Laid-Off Workers Turn to Entrepreneurship", [www.america.gov](http://www.america.gov), August 25, 2010

## Google Compensates Same Sex Partners

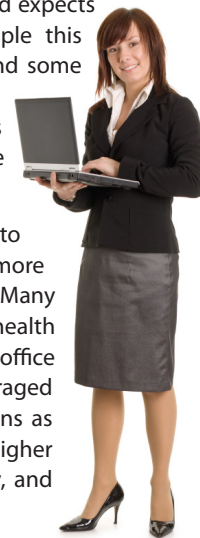
Google has announced that it will "gross up" health insurance benefits for all same sex domestic partners in the United States, retroactive to January 1, 2010. While it is not the first company to do so, (Cisco and Kimpton hotels offer a similar benefit) it is believed that this move may spur other companies in Silicon Valley to consider following suit. The company, which employs more than 21,000 employees worldwide, also began providing same-sex domestic partners with the equivalent of the Family Medical Leave Act, effective July 1, 2010.

"Taking Same-Sex Benefits to New Level", [www.hreonline.com](http://www.hreonline.com), August 3, 2010

## Stand All Day

At AOL's campus in Dulles, Virginia, ten percent of employees work standing every day. Many of these workers and others across the country use a GeekDesk. The desk may be raised and lowered by electric motors. The company has also sold desks to the Secret Service and the U.S. Geological Survey and expects sales of the desk to triple this year. Many companies and some government agencies are requiring standing setups in new contracts for office furniture.

For some, standing to work makes them feel more focused and less drowsy. Many ergonomics and public health experts feel that all office workers should be encouraged to stand for health reasons as new research reveals higher rates of diabetes, obesity, and



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## Federal Satisfaction

Most Federal employees are content with their jobs, according to the results of the 2010 Federal Employee Viewpoint Survey that was conducted by the Office of Personnel Management and polled a quarter million workers in 82 Federal agencies.

Ninety-two percent of respondents thought their work was important and 86 percent reported liking their work. Seven in ten would recommend their organization as a good place to work and two thirds were satisfied with their pay. Seventy-eight percent believed their organization was successful in accomplishing its mission and 62 percent reported being satisfied with their organization.

The area of promotions saw the most complaints. Only a quarter of respondents thought pay raises depended on performance and fewer than half of respondents believed their units found people with the skills they need. Another lagging indicator reported was work/life, a category introduced for the first time. Only a quarter of respondents were content with childcare programs and even fewer were pleased with elder care support. Six in ten were satisfied with alternative work schedules, half with health and wellness and employee assistance programs. Only 22 percent of respondents indicated that they engaged in some telework, which is limited in many government agencies.

Among the best regarded agencies were the Nuclear Regulatory Commission, the Federal Trade Commission, the National Aeronautics and Space Administration and the Department of State.

*"Federal Employees Largely Satisfied with Jobs", [www.hreonline.com](http://www.hreonline.com), August 3, 2010*

## Stress Differences

A new survey from Medicash, a health plan provider in the U.K. reveals that working men and woman deal with stress very differently. Twenty percent of men reported taking at least two sick days in the previous month due to stress, compared with only four percent of women. Yet, almost one third (31 percent) of women and a quarter of men said they often feel stressed. Seven in ten women and fifty percent of men reported suffering from headaches while more than half of women (57 percent) and 40 percent of men said they had problems sleeping.

*"Gender Differences in Job Stress", [www.hreonline.com](http://www.hreonline.com), August 31, 2010*



## Internships for All

Internships have been redefined by the recent economic crisis, according to a survey conducted by CareerBuilder.com. Completed in June 2010, the survey revealed that 23 percent of managers surveyed had received applications from experienced workers for paid and unpaid internships. Internships have moved from being a way for a young employee to try out a profession and secure some entry-level experience to being a way for experienced employees to get a "foot in the door" when employers are still reluctant to commit to bringing on full-time employees. For some, an internship can serve as an extended job interview—fifty-two percent of respondents said they would likely hire an intern for a full-time position.

*"Older, Experienced Workers Applying for Internships", [www.shrm.org](http://www.shrm.org), August 30, 2010*

## Employee Engagement in the Doldrums

Though economies worldwide are recovering slowly, recent research by Aon Hewitt Associates shows that employee engagement and morale are not. Almost half the organizations surveyed (46 percent) saw a drop in employee engagement levels at the end of the June 2010 quarter while only 30 percent saw an improvement. This is the largest decline the consulting company has seen since it began researching employee engagement 15 years ago.

Aon Hewitt's research also suggests a clear link between engagement levels and financial performance. Organizations where 65 percent or more of employees are engaged outperformed the total stock market index even under volatile market conditions. During 2009, for example, total shareholder return for these companies was 19 percent higher than the average shareholder return. At companies where employee engagement was low (40 percent or less of employees engaged) the shareholder return was 44 percent lower than average.

Based on their research, Aon Hewitt suggests

that the following factors differentiate organizations that improve their engagement from those that do not: Focus on the long term, with changes consistent with company values and principles; leadership buy-in; measurable actions; involvement of all stakeholders; understanding of key employee segments; and use of a broad array of information and analytics to understand employee behavior.

*"Percent of Organizations with Falling Engagement Scores Triples in Two Years, Most Notable Drop This Year", [www.AonHewittassociates.com](http://www.AonHewittassociates.com), September 10, 2010*

## Companies Offer More Support for 401K Decisions

U.S. employers are increasingly providing employees with automatic 401(k) plan features that drive up participation and savings, according to data collected by Charles Schwab from approximately 1.5 million company retirement plan participants in Schwab-administered plans. They found that more than three quarters of employers include target-date funds as a plan offering compared with 57 percent in 2005 and nearly three quarters of employers make 401(k) plan advice available to plan participants compared with 42 percent in 2005. The most dramatic change was in the area of automatic enrollment. Thirty-eight percent of employers now enroll employees automatically in 401(k) plans, up from five percent in 2005. At companies with more than 2,500 participants, 53 percent use automatic enrollment. Automatic savings increases are also rising with 37 percent of employers who use automatic enrollment also using automatic savings increases, increasing from 14 percent in 2006 when plan client first had the opportunity to implement automatic savings.

*"Automatic Shift: More Employers Add 401(k) Features to Drive Participation and Savings", [www.shrm.org](http://www.shrm.org), August 27, 2010*

## Healthcare Changes

A recent survey by HighRoads, focusing on the new health reform regulations, showed that while 60 percent of employer plans currently offer free coverage for some or all preventative care services, 46 percent of employers plan to improve these benefits. Forty six percent of the responding employers plan to include or increase their preventative care services to comply with The Patient Protection and Affordable Care Act, 39 percent have no

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# New Members, Representatives and Fellows

**Dennis Berger** is Senior Vice President, Chief Coworker Services Officer and an executive committee member at CDW. He is responsible for CDW's overall coworker services strategy, talent acquisition, leadership and organizational training and development, compensation, benefits, safety and security, diversity and inclusion as well as succession planning.



Mr. Berger joined CDW in 2005 as Vice President of Coworker Services and an executive committee member. He was promoted to his current position in 2007. Prior to joining the company, he spent nearly 12 years with the Pepsi Cola organization in a variety of HR roles and worked for five years in human resources at GTE Corporation.

A graduate of Northeastern University, Mr. Berger holds an MBA from the John M. Olin School of Business at Washington University in St. Louis. He serves on the Board of Directors for the Human Resources Management Association of Chicago, the Anti-Defamation League of Chicago (ADL), Glenwood School for Boys & Girls, and America SCORES Chicago.

**Chuck Columbus** is Senior Vice President, Chief Human Resources Officer for Kaiser Foundation Health Plan, Inc. and Kaiser Foundation Hospitals. He joined the organization in August 2009 as Senior Vice President, Labor Relations and led the development of Kaiser Permanente's national labor relations strategy and collective bargaining with the organization's partner unions for the 2010 National Agreement.



As Chief Human Resources Officer, Mr. Columbus has national responsibility for all human resources functions, including recruiting, personnel development, organization and succession planning, total compensation and employee relations. He continues to direct labor relations and remains active in Kaiser Permanente's Labor Management Partnership.

Prior to joining Kaiser Permanente, Mr. Columbus worked at Ford Motor Company, holding a number of senior labor and human resources positions, including Vice President of Human Resources, Asia Markets. He was responsible for all human resources functions

in six countries, as well as for employee and organizational development processes for staff in the 11 markets in the Asia-Pacific region and in Africa.

Mr. Columbus holds a Bachelor of Science degree in business administration from the University of Michigan.

**Kerry Chandler** was recently promoted to Executive Vice President, Human Resources at the National Basketball Association. She reports to commissioner David Stern.

**Annie Drapeau** is Executive Vice President of Human Resources at Iron Mountain, an information management-services company headquartered in Boston. Ms. Drapeau oversees global HR strategy, including organizational development, recruitment and rewards.

Prior to joining Iron Mountain, Ms. Drapeau co-founded the Center for Leading Organizations, a management-consulting firm focused on organizational effectiveness and development. She also served as Executive Vice President and Chief People Officer at VistaPrint from 2005 to 2008 and held a variety of executive-level positions at Digitas from 1997 through 2005, including Executive Vice President and Chief People Officer.

Earlier in her career, Ms. Drapeau served in various leadership roles at PepsiCo and JP Morgan. She is also the co-author of the books *The Trusted Leader: Bringing Out the Best in Your People and Your Company* and *The Enemies of Trust*. She has written on organizational leadership for a range of business publications. She holds a bachelor's degree in chemical engineering from Bucknell University and an MBA from the Amos Tuck School at Dartmouth.

**Kristen Robinson** joined Yahoo! in August 2010 as Senior Vice President, Global Compensation, Benefits, HR Services, M&A. Previously she was Chief Human Resources Officer at Verigy.

**Steven Miranda** is the Chief Global HR and Content Integration Officer for the Society for Human Resource Management (SHRM). He is responsible for both the development of best-in-class HR programs for the world's largest professional HR organization as well as globalization and planning strategies focused on serving both existing and future members.



Mr. Miranda was previously a Vice President for Human Resources at Lucent Technologies where his work took him around the world, including an assignment as head of Lucent's HR operations for the Asia Pacific region. He also held positions where he was responsible for supporting a wide variety of business units across Lucent.

He currently sits on the Board of Directors for the Ethics Resource Center (ERC) and is a past United States representative to the North American Human Resources Management Association (NAHRMA), North America's representative body to the World Federation of Personnel Management Associations (WFPMA).

A Summa Cum Laude graduate of the University of Detroit, Mr. Miranda also earned a Master's Degree in computer science from the same institution.

**Leon Lichter Esq.** is Vice President, Corporate Human Resources at Marsh & McLennan Companies, Inc. He is the Chief Human Resources Officer for the company's corporate employees and is also responsible for total rewards. He has been with the company since 2003 and has served in both legal and HR roles.



Prior to joining the company, Mr. Lichter was the Senior Vice President of TBG Financial, a consulting firm specializing in executive benefits where he served as its legal counsel. Prior to joining TBG Financial, he worked with RJR Nabisco for nine years, where he was Vice President and Assistant General Counsel and was associated with the law firm of Sullivan & Cromwell.

A graduate of the University of Miami, Mr. Lichter received his JD degree from Columbia University School of Law, where he was a Harlan Fiske Stone Scholar, and his MBA, with honors, from the University of Miami Graduate School Of Business.

**Deborah "Deb" Keller** is the Senior Vice President of Human Resources for Strayer Education, the holding company of Strayer University.

Ms. Keller began her career in human resources at the General Electric Company where she spent fourteen years in progressively more responsible roles. As part of the Crotonville

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## Boston University News

### Aspen Institute Recognition for Professor James E. Post

Professor James E. Post has been named the 2010 Faculty Pioneer for Lifetime Achievement by the Center for Business Education at the Aspen Institute. This recognition celebrates business school faculty who have demonstrated leadership and risk-taking in integrating social, ethical and environmental issues into the MBA curriculum.

Professor Post is the John F. Smith, Jr. Professor in Management at the School of Management and holds degrees in law and management.

"Boston University's James E. Post Winner of The Aspen Institute's 2010 Faculty Pioneer Award" [www.bu.edu](http://www.bu.edu), October 6, 2010

### New Charitable Giving Options at Boston University

In addition to making contributions through United Way, employees at Boston University can also opt to give some or all of their contribution to the Boston University Community Service Center and have 100 percent of the contribution go directly to the University.

The Community Service Center (CSC) has 13 student-run programs, projects, and events and provided 90,000 hours of service in 2009. In August 2010, more than 1,000 incoming freshmen participated in the First-Year Community Outreach Project, organized by the CSC. They performed more than 24,000 hours of community service at 100 sites in the Greater Boston area. ■

### Work Life Honors for HRPI Members

Celebrating 25 years of the *Working Mother* 100 Best Companies list, *Working Mother* magazine named "7 Wonders of the HR World", to honor individuals and companies who have inspired and contributed to the work life movement. Among the honorees were two HRPI member companies. IBM Corporation was recognized for being a pioneer in globalizing work life programming that reaches thousands of employees every year while Bright Horizons Family Solutions was honored as a premier childcare solutions provider that set the standard for corporate childcare.

"Seven of the Most Admired Wonders of the Work Life Movement to be Honored at *Working Mother's* Annual Worklife Congress", Company Press Release, October 27, 2010



### SHRM Announces the Formation of Two Taskforces

In August 2010 the Society for Human Resource Management (SHRM) announced

the formation of two taskforces to develop the Standard for Measures and Metrics and the Standard for Diversity and Inclusion in the human resources profession.

The taskforce on the Standard for Measures and Metrics will create human capital measures and metrics to be used in business and financial communication. The taskforce for developing the Standard for Diversity and Inclusion will develop three standards: the top diversity professional position description, the elements of an organizational diversity and inclusion program, and a panel of diversity metrics.

SHRM will oversee the administrative needs of the standards development process and ensure the standards are developed in accordance with ANSI directives and procedures. Representatives from four interest categories will serve on the taskforces: practitioner representatives, customers, developers, and general interest representatives.

"SHRM Forms Two Taskforces to Develop HR Standards", [www.shrm.org](http://www.shrm.org), August 4, 2010 ■

### Reports and Studies | Continued from page 3

plans to enhance their current options and 14 percent are unsure. Fourteen percent of respondents thought that preventative care will cost the company more in the long and short term, 40 percent thought it would cost money in the short term but save money in the longer term, nine percent thought it would save money in the short and long term and 37 percent thought that the cost of preventative care would be minimal and that future savings were uncertain but that covering preventative care made sense for employee well being and engagement.

"HighRoads' Study Shows 46% of Employers Plan to Enhance Preventative Care Benefits in Response to The Patient Protection and Affordable Care Act" *HighRoads Press Release*, September 29, 2010

### Planning Talent Management Changes Abroad

Most employers in Europe, the Middle East, and Africa are planning changes to their talent programs, according to the 2010 "Future of Talent Management" survey. Talent management was reported as an immediate priority by 49 percent of 300 HR professionals surveyed in Europe and by 47 percent in the Middle East and Africa. The survey revealed the other top priorities to be developing and training leaders, improving employee engagement, and performance management.

"Reshaping Talent Programs is Top Priority in Europe, Middle East, and Africa", [www.shrm.org](http://www.shrm.org), August 3, 2010 ■

## Recommended Reading

**Healing Together: The Labor-Management Partnership at Kaiser Permanente** by Thomas A. Kochan, Adrienne E. Eaton, Robert B. McKersie, and Paul S. Adler (ILR Press/Cornell University Press, 2010)

**Next-Generation Wellness at Work** by Stephanie Overman (Praeger 2009)

**The Talent Masters: Why Smart Leaders Put People Before Numbers** by Bill Conaty and Ram Charam, (Crown Business 2010)

**Retooling HR Using Proven Business Tools to Make Better Decisions About Talent** by John W. Boudreau, (Harvard Business Press 2010)



## New Czech Government Makes Changes to Labor Code

In the Czech Republic, the new government is proposing changes to the country's labor code. The most radical change involves allowing companies to offer an employment contract for a set period without any limitations. Currently, employers can only offer fixed contracts for two years. Other changes proposed include reducing severance pay for employees who have been working with a company for less than two years, and allowing individuals to work for a company for up to 300 hours per year under a "performance of a work assignment" contract. Such contracts are currently limited to 150 hours and no health or social insurance is paid for this type of contract. If implemented, the government hopes that these changes will improve the competitiveness of the country's workforce.

"Eastern Europe—Czech Government Proposed Labor Market Reforms", *Staffing Industry Analysts*, September 1, 2010

## Strikes Decline in the European Union

In the European Union, the average number of working days lost per 1,000 employees due to industrial action fell from 50.5 in 2008 to 24.3

in 2009, according to a new report from the European Industrial Relations Observatory. Pay disputes continue to be the most common cause of disputes, while the manufacturing sector was most prone to work stoppages. Strikes were most frequent in Denmark, France, and Belgium, while Austria, Estonia, and Latvia were strike-free.

"Pay Disputes Remain Most Common Cause of Industrial Action in the EU", *www.eurofound.europa.eu*, August 25, 2010

## Maternity Leave Changes in Europe

In October 2010, the European Parliament decided to extend the minimum maternity leave in the EU from 14 to 20 weeks. Paid paternity leave of at least two weeks was also approved.

This decision, voted on by MEPs in October, goes beyond the European Commission's proposal to extend leave to 18 weeks. MEPs backed the Commission's proposal that out of the total leave, six weeks should be taken after childbirth. The legislation is intended to put in place minimum rules at EU level. Member states may introduce or keep rules that are more favorable to workers.

The Parliament also adopted amendments to ban the dismissal of pregnant workers from the beginning of pregnancy to at least six months following the end of maternity leave, and adds that women are entitled to return to their jobs or an "equivalent post" with the

same pay, professional category and duties as they held prior to their leave. Furthermore, the Parliament adds that workers must not be obliged to do night work or work overtime during the 10 weeks prior to childbirth or while breast feeding.

"Expanding Maternity Leave to 20 Weeks with Full Pay", *European Parliament Press Release*, October 20, 2010

## Retirement Delayed

More than half of Europeans believe they will have to delay retirement because of the current economic climate, according to research by Aon Consulting. French and German workers are most pessimistic, with over 70 percent thinking about extending their careers, while more than 60 percent of Irish, Swiss and British workers share their sentiment. Of those who believe they will have to delay retirement, the Irish and British are most pessimistic, with over 80 percent in both countries saying they will have to delay retirement by more than two years.

Except in Ireland, females are more likely than male colleagues to claim they will have to delay retirement, perhaps because women are more likely to have lower pensions as the result of spending less time working or having part-time jobs.

"Europe Faces Up to a Longer Wait Until Retirement", *www.aon.mediaroom.com*, June 16, 2010 ■

## HRPI Fall 2010 Meeting | Continued from front page



ABOVE: Dean Kenneth Freeman discussed risk-taking.

tions, the biggest issue is typically a behavior problem; employee ignorance or malice not only affects team dynamics but it can also affect the bottom line and shareholder value.

In closing, Dean Ken Freeman encouraged participants to be culture champions and to use risk assessment tools to stimulate behavioral discussions. In order to manage risk, one must keep constant vigilance.

Ms. Susan Beauregard presented GE's HR risk management strategy to members and guests. With approximately 300,000 employees, ongoing acquisitions, a global

footprint and a wide variety of industries, HR risks are complex for GE. In addition, regulations are increasing in scope and reach. GE's risk management structure leverages their existing HR structure, rather than creating a separate structure. Risk management is considered an essential element of senior HRM roles. Leaders are expected to strengthen HR processes, measure process risks, monitor related global regulatory developments, and build employee process and regulatory skills.

Dr. Charles Tharp told the group that in the regulatory environment, risk is a focus of federal regulations and global pronouncements. Dr. Tharp provided examples of recent changes. For example, the SEC met and required boards to reveal employee incentives in proxy disclosures and the European parliament is coming out with rules about cash bonuses. TARP's prohibition/regulation of excessive

risk in incentives has impacted how director, shareholder, and policymakers approach executive compensation.

Dr. Tharp also said that it is important to have a framework for assessing risk in incentives as risk is present in performance objectives, the pay structure, and the measuring and monitoring of performance. One must ensure there are adequate checks and balances regarding the measurement of performance.

The meeting concluded with a talk by Mr. Ron Shaich, Co-Founder and Executive Chairman of Panera Bread, about the founding of his company and the risks involved in running a company. He provided advice to guests and members on how to manage risk within a company. He stated that the biggest single risk a company faces is the loss of its competitive position in the market place. ■

training team, she served as one of the original architects of the "Work-Out" business process improvement initiative. Following her tenure at General Electric, Ms. Keller served in vice president roles at Suburban Healthcare, Nextel Communications, Ratner Companies and with Gate Gourmet.

A graduate of The Pennsylvania State University, Ms. Keller received a Master of Arts degree in Personnel Administration from Michigan State University.

### New Fellows

**Susan R. Meisinger, SPHR, JD**, is a columnist,

speaker and consultant on executive management issues. She is the former President and Chief Executive Officer of the Society for Human Resource Management (SHRM) where she served as President and CEO from 2002 until her retirement from SHRM in 2008. Previously, Ms. Meisinger held the position of Executive



Vice President and Chief Operating Officer of SHRM from 1999 to 2002. She also served as Senior Vice President from 1997-1999 and as Vice President of Government and Public Affairs from 1987-1997.

Prior to joining SHRM, Ms. Meisinger served as Deputy Under-Secretary for the Employment Standards Administration (ESA) in the U.S. Department of Labor and also served as special legal counsel for the Associated Builders and Contractors in Washington, D.C.

Ms. Meisinger is a former board member for the World Federation of Personnel Management Associations, where she also served as Secretary General. She served as a member of the board of directors for SHRM and the HR Certification Institute (HRCI), an affiliate of SHRM. She is a former board member of the Ethics Resource Center, a nonprofit devoted to fostering ethical practices in individuals and organizations, where she served from 2001-2007. Ms. Meisinger also sat on the corporate board for BE&K, a billion dollar international design-build firm for five years, until the company was sold in 2008.

A Fellow and member of the board of the Na-

tional Academy of Human Resources (NAHR), Ms. Messinger also sits on the board of the Certified Financial Planner Board of Standards, Inc. She received a bachelor's degree from Mary Washington College and a law degree from the National Law Center of George Washington University. She is a member of the District of Columbia Bar Association and has earned certification as a Senior Professional in Human Resources from HRCI.

**Bob J. Stack** is a Visiting Professor at Henley Business School. Previously, Mr. Stack served as the Chief Human Resources Officer of Cadbury Schweppes. In this role, he had responsibility for communication and external affairs in addition to HR at the company. He has extensive international experience, with a specialist experience in the fields of HR, External Affairs, and Corporate Communications. He joined Cadbury Beverages in the US in 1990 and also served as Group Human Resources Director of Cadbury Beverages. Mr. Stack has been a Non-Executive Director of J. Sainsbury Plc. since January 2005 and IMI Plc since June 2008. He is a Trustee of Earthwatch Europe and serves on the Board of Earthwatch International. ■

heart disease among those who sit for long periods. However, fans of more traditional work arrangements are quick to point out the long term back injuries and varicose veins suffered by factory workers forced to stand for hours.

"Those With a Desk Job Please Stand Up", *The Washington Post*, October 17, 2010

### Outsourced Legal Work Expands

Legal outsourcing firms in India are expanding, as large U.S. firms seek to save money by outsourcing or hiring lawyers in India for document review, due diligence, and contract management. The number of outsourcing companies in India has expanded from 40 in 2005 to 140 in 2009. Many teams are now managed by American lawyers, attracted by competitive compensation, low living expenses and the possibility of stock options in the outsourcing firm.

"Outsourcing to India Draws Western Lawyers", *The New York Times*, August, 5, 2010

### PricewaterhouseCoopers Program Keeps Top Talent Connected

At PricewaterhouseCoopers, the "Full Circle" program allows top performers to "off ramp" for up to five years to care for children or elderly relatives and then return to their careers at the company. The program, which is unpaid and voluntary, keeps participants connected with their work colleagues. Participants have access to a coach and can use company resources and training to keep credentials and professional skills current.

"Keeping the Connection" [www.hreonline.com](http://www.hreonline.com), October 10, 2010

### Federal Government Extends "Leave Without Pay" Policy

In September 2010, the federal government extended its 24 hours of leave without pay policy to apply to same-sex domestic partners of federal employees. The leave may be used for school and early childhood activities, routine medical or dental appointments, care

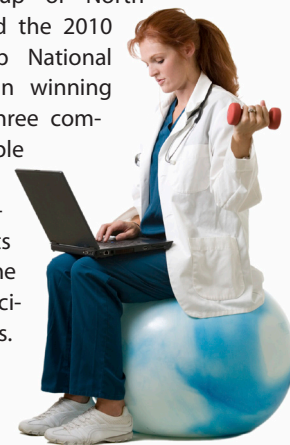
of elderly relatives, or used to meet the needs of an employee's same sex partner or their children.

"Federal Government's Leave Policy Extended to Same-Sex Domestic Partners", *SHRM News*, September 15, 2010

### C. Everett Koop Award Winners

Medical Mutual of Ohio, Pfizer Corporation, and Volvo Group of North America received the 2010 C. Everett Koop National Health Award. In winning the award, all three companies were able to demonstrate that their programs cut costs and improved the health of participating employees.

"Wellne\$\$" [www.hreonline.com](http://www.hreonline.com), August 17, 2010 ■



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