



insights

Bridge Partners LLC

8 East 41st Street

7th Floor

New York, NY 10017

Tel: 212-265-2100

Fax: 212-685-3010

www.bridgepartnersllc.com

SEPTEMBER 2006

A PUBLICATION BY BRIDGE PARTNERS, LLC

CONTENTS

Mentoring & Inclusion	1
Holding On To Your Female Talent	4
About Bridge Partners	7

CONTACT

East Coast

Tory Clarke
Larry Griffin

West Coast

Irene Sitbon

WHEN A HIGH POTENTIAL EMPLOYEE EXITS, YOUR BUSINESS CAN SUFFER how mentoring & inclusion can improve your retention rate

In today's economy, open competition for other companies' star players is a reality. Yet nobody likes to see their talent leave. Of course, it is impossible to entirely prevent promising executives from moving to other organizations but it is possible to make it a tough decision for them. Many companies rely on compensation to build loyalty, and reactively counter-offer to prevent attrition.... but wouldn't it be great if your employees hesitated before talking to a competitor company because they enjoyed their current organizational culture? Or they didn't reach out to their network, or respond to job-postings, because they felt they could see a clear path to the executive suite within the company they already work for?

As companies grow and develop, they can chose to fill their leadership positions with internal candidates in whom they have invested over a period of time, or they can look externally. Both sources of candidates offer different benefits for the organization. Internal candidates are accustomed to the organizational culture and have well-developed networks; the organization can be sure that internal candidates have good motivational fit and do not require extensive orientation; and companies don't have to guess about the quality of internal candidates' past experiences, so they can be guided through a series of customized development experiences that will ensure success in their future positions. External candidates can be more appropriate during periods of rapid



expansion, and can bring fresh perspectives and new skill sets.

But what happens if you have weighed up the pros and cons, and decided to draw from your internal executive bench....only to find that the executives you have developed, and now intend to promote, have decided to go elsewhere for their next career opportunity?

There are many factors involved in retaining high caliber executives within the organization, be it a new hire or a fast-track executive who has been (or will be) promoted into a key role. In this issue, we would like to focus on the creation and maintenance of an appropriate and effective mentoring relationship for new hires, for fast-track internal executives, or for recently promoted/moved executives, is a key to corporate success. Organizational mentoring can be accomplished in many ways – through formal programs, informally through employee network groups, and/or by

The object is not to stop water flowing but to control its direction and speed
— Peter Cappelli ¹

(continued on page 2)



CHARACTERISTICS OF A STRONG MENTOR

- Be able to listen, to challenge, to support and to instill trust and confidence.
 - Have a strong motivation to assist the development of others
- Considerable and acknowledged experience in the skills being mentored
 - Ability to identify the strengths and weaknesses of the mentee and to make developmental or remedial suggestions
- Interpersonal skills necessary to build a relationship with the mentee

developing an over-arching culture of mentoring.

An effective formal mentoring relationship will identify high-performers, determine what motivates and inspires them and focuses energy on retaining them. It will help high-potential executives to exchange critical information, build a strong network, develop an understanding of internal politics/corporate culture, and interact with individuals outside their sphere of influence.

A consistent recruitment theme is that high caliber executives (of any age, culture, ethnicity, gender, geographic background, race or sexual orientation) are more attracted to an organization where diversity-inclusion initiatives are underpinned by a fundamental belief, throughout the organization, in diversity as an economic imperative.

However, not only can diversity be leveraged to

attract the best talent, it can also be harnessed to retain talent. The next logical step in the above assumption is that once those high potential individuals are a part of an organization that places value on diversity-inclusion initiatives, retention rates will increase as employees take pride in those initiatives, viewing their firm as an employer of choice, where appreciation for all people and their differences creates a work environment where all can thrive.

The flip side is that, in companies where diversity initiatives are a low priority, employees leave because they don't believe they are valued, because they perceive

“Minority managers do, in fact, have to be more deeply grounded and better prepared than their white peers if they are to become top executives, because they are promoted only after proving themselves again and again”

– David Thomas



a workplace to be hostile, or because they believe a competitor organization shows precedent in developing careers paths for a more diverse range of executives. Both money and time invested in those employees are lost.

How can mentoring programs offer unique opportunities to build, retain and develop a diverse workforce? And how can mentoring be utilized to tap talent across a diverse workforce?

Research shows that mentoring relationships can be extremely effective, especially for women and people of color, or for people who are different in any particular environment ². While mentoring is certainly necessary for developing a new generation of leaders, the need for a mentoring program can be especially acute for minority employees. However, these mentoring relationships often do not happen naturally.

CHARACTERISTICS OF A STRONG MENTEE

- Clear about the benefits of a mentoring and communicative about what he or she wants from the relationship
- Ability to work in a challenging but supportive way and be able to challenge the mentor
- Committed to the mentoring process and willing to learn from the process and take action as appropriate.

PLANNING A MENTORING PROGRAM

There is never a "one size fits all" approach, but there are criteria that will increase the likelihood of a mentoring program's success:

Diversity & appreciating differences:

Ensure that a diverse group of employees are offered mentoring opportunities (both as mentors and mentees), and that there is an appreciation of cultural or gender-based differences, in order to develop the level of trust essential for successful mentoring. Both mentoring partners should be schooled in basic communication skills - listening, empathy, and appreciative inquiry - along with orientation into differing cultural, racial, and gender-based assumptions.

Define program goals: Any mentoring program must have a clear strategic intent and specific goals up front. Both should be consistent with the business objectives of the organization. For example, in addition to career development for the mentee, a diversity-driven mentoring program may assist an organization in achieving its strategic goal of increasing the number of minorities in the managerial and leadership ranks by preparing them for upward mobility, or may help to meet the goal of retaining minority employees.

Involve top leadership: The program must be championed by the top leadership to have credibility in the organization. Senior executives must put diversity initiatives such as mentoring programs high on their agenda and communicate their personal commitment regularly. Ideally, they should also participate in mentoring, setting the tone for employee development, inclusion, and empowerment in the company.

Solicit input & feedback from participants:

Ask potential participants for their input and feedback. Individuals who have participated in the program should have some degree of influence in shaping it. Additionally, mentees given input in determining their mentoring partner will not only be of help in planning but will also be enthusiastic and potentially successful participants in the program.

Ensure appropriate & fair administration:

Communicate the selection criteria for mentors and mentees, and check to see that they are perceived as being fair, stress confidentiality. Where possible, drive the program from departments or business units, with HR playing only a supporting/facilitative role.

"Once they make a leap into the middle and upper management, these [minority] trailblazers have to put together a stellar record of performance while building a network of mentors to support and advise them"

– David Thomas and John Gabarro

In order to understand the different career trajectories of white and minority executives in corporate America, David Thomas, Harvard Business Professor, studied the progression of racial minorities at three large US corporations, researching why different peoples' careers "take off" at different stages³. His research showed that the minorities who advanced the furthest, shared one characteristic: a strong network of corporate sponsors and mentors and that, amongst those executives, it was those who had a fuller developmental relationship with their mentors (as opposed to purely instructional), who progressed further within the organizations.

ADVANTAGES OF MENTORING

- Communicating an organization's culture consistently
- Boost employee retention, productivity and promotions from within
- Promote employee connections across geographic, hierarchical and departmental barriers
- Enhance relationships in a diverse workforce
- Spread the understanding of a core process
- Low cost-high return retention initiative

In a diversity-driven mentoring program, mentees will be provided with an opportunity that may not occur naturally, to learn to manage their self-development effectively and to understand what qualifications, characteristics and experiences are necessary to be an effective leader. At the same time, the mentors will learn the value of a culturally diverse environment, experience cultural and gender differences, and appreciate the value of including those factors in their

decision-making process. The overall benefit will be a broader appreciation of diversity, with an increased focus on integrating different values and beliefs into the daily operations of the organization.

In order for this relationship to be effective however, it is important for both mentors and mentees to develop and maintain a supportive educational relationship, where differences in each others' perceptions and experiences are recognized and valued regardless of race, ethnicity, disability, gender or age.

One of the best measurements of retention and/or mentoring initiatives is to see your internal talent, particularly women and minorities, receive promotions, gain responsibility and take on higher profile roles throughout the company. You will build a strong performance culture within your company, becoming the employer of choice...the one that attracts star players, not fights to keep them!

**TORY CLARKE – PARTNER,
BRIDGE PARTNERS LLC**



REFERENCES

¹ "A Market-Driven Approach to Retaining Talent" by Peter Capelli, published by Harvard Business Review (p103-11, Jan-Feb 2000)

² Catalyst Study - Women of Color in Corporate Management: Three Years Later - 2001 (50% of women of color without mentors received promotions, 61% of those with one mentor and 71% of those with multiple mentors were able to climb the ranks. The Catalyst study also found that women of color are more likely to stay with a company if they have positive relationships with their mentors.)

³ "The Truth About Mentoring Minorities: Race Matters" by David Thomas, published by Harvard Business Review (p 98-112, April 2001)

⁴ "Breaking Through: The Making of Minority Executives in Corporate America" by David Thomas & John Gabarro, published by Harvard Business School Press



DENISE BROUINETTE

HOLDING ON TO YOUR FEMALE TALENT



Organizations today rely on a full complement of professionals to head vital functions and projects and expect that their pipelines will continue to produce the requisite numbers for leadership at all managerial levels, including the executive suite.

The reality is that the pipeline may be slowing to a trickle. The Bureau of Labor Statistics (BLS) in its February 2004 Monthly Labor Review reported that between 2006 and 2010 the U.S. population is projected to grow at only 1.1% annually, and will continue to dip to a low 0.3% by 2030. With baby boomers reaching retirement, a Generation X population not large enough to fill the expected shortage, and a predicted GDP growth rate of 3.0% per year, by as early as 2010, there may not be enough workers available to staff the nation's jobs. The BLS report goes on to cite that managerial positions in finance, operations/general management, sales, marketing, human resources, IT, R&D and engineering are projected to grow faster than average over 2002-2012.

Compounding that is a quiet exodus of professional women from organizations across the United States, some

because they want to; others because they have concluded that there are no suitable alternatives in their workplace. And although their flight from the management ranks (according to Catalyst, the leading researcher of women in the workplace, women comprise half of all first and mid-level management positions) may not yet be at the alarm level, it is expected to be by as early as 2010.

Where are they going? Contrary to popular belief, few are opting out altogether. Instead, they're starting their own businesses, and in record numbers. The Small Business Administration (SBA) reports that in 2005 women-owned businesses were up 19.7% over the previous year and are growing at two times the rate of all privately-held firms. Their companies now employ more people than the Fortune 500 combined. Every day 630 new businesses are started, 420 of those by women. Where are their new employees, both men and women coming from? Many from the companies these women left.

With these women leaving corporate jobs in droves, and in some cases taking others with them, where will all of our future, capable managers come from? Directly from the current ranks. The key question then becomes, how can companies recruit the best and the brightest women, and retain those that they have today so that the leadership and management pipeline is full when they need it to be?

In early 2006, The Innovative Edge, a San Francisco leadership development organization, through its women's career division, Hairpin Turns,™ sought to find out how professional women define career success for themselves today. The survey was comprised of over 700 women

“How can companies recruit the best and brightest women, and retain those that they have today?”

between the ages of 25 and 54 from eight major market areas in the U.S., 63% with at least a bachelor's degree, and the remainder with graduate and professional degrees (M.D., J.D., etc.). Of those, 14% consider entrepreneurship as important or very important for career success. The rest - 86% - placed it as dead last on a list of 12 career success factors.

“They want a career that gives them flexibility... [that] they feel passionate about, is personally meaningful and that challenges them intellectually”

Yet, many of these women are considering leaving anyway. Why? They want a career that gives them flexibility with work and personal life; to work at something they feel passionate about, is personally meaningful and that challenges them intellectually; and to be paid a salary that reflects their level of expertise, responsibility and results. That's why they're saying good-bye to the corporate life as it is today and hello to whatever they

can design for themselves that satisfies some or all of these success criteria. For many, entrepreneurship, whether they truly want it or not, seems to fit the bill.

To keep those talented women from flying out the door, here are three actions that companies can take right now, all of which will help with retention and recruitment.

1. Offer flexible work arrangements with challenging, stimulating work. For a number of reasons, including family responsibility for young children and/or aging parents (for whom women continue to have primary caretaking responsibility) flexible schedules, where possible, are on the horizon for many organizations. As long as the women are turning in the necessary results – and they frequently over-deliver – this may be to a company's retention and recruitment benefit. Evidence shows that women, as well as men, are drawn to and tend to stay with companies with work schedule flexibility. This does not mean a shortened work week. Rather it's having flexibility and control over when and where the full work-week hours are worked, whether from home late in the evening, on weekends, or in the early morning at the workplace.

Couple that flexibility with challenge. Women report that they do not want one to be sacrificed for the other. In The Innovative Edge survey, 78% said flexibility and 73% cited



challenge as either important or very important in defining career satisfaction and success for themselves.

2. Start or expand formal mentoring and career planning programs. Two of the top five career success satisfiers rated as important or very important by the women surveyed by The Innovative Edge were “Feeling passionate about what I do,” and “Doing work that is personally meaningful” at 75% and 73% respectively. With a strong career planning program in place, women can, for each step in their management progression, design a career focus that not only gives them the breadth and depth of knowledge needed to lead in the organization, but directs them toward meaningful and personally satisfying work for which they feel a level of passion.

Mentoring adds another dimension to the career planning process by exposing women to leaders in various functions, especially to those mentors with general management and line experience where knowledge and experience in those areas is critical for the top spot. Once again Catalyst, in a 2003 study titled Women in U.S. Corporate Leadership, has studied this factor. They report that 60% of senior

A SAMPLE OF SEARCHES RECENTLY COMPLETED BY BRIDGE PARTNERS, LLC:

Vice President, Licensing
Brown Shoe Company, Inc.

Director, Accounting Operations
Foot Locker, Europe

Director PR & Corporate Communications
GNC (General Nutrition Company).

Director Communications
Merrill Lynch & Co, Inc.

Vice President Risk Management
Sodexo, Inc.

Head of Diversity
Sullivan & Cromwell LLP

VP Food Development
Walt Disney Consumer Products

Director, Merchandise Optimization
Karabus Management

VP Loan Origination Systems
GE Consumer Finance

level women working to reach the corporate ranks do not have a mentor and have challenges getting one. Thus with a formal mentoring program in place, an organization circumvents this challenge with the added advantage of having a structure in place for helping women reach their full potential inside their organization.

3. Promote women to senior-level positions. There is a sound business case for developing women in the management ranks and adding them to the executive suite. A 2004 study by Catalyst shows that Fortune 500 companies with the highest percentages of women corporate officers had, on average, a 35.1% higher return on equity and 34% more total return to shareholders than companies with the lowest percentages. Thus with mentoring programs and career planning in place, there will be more women remaining

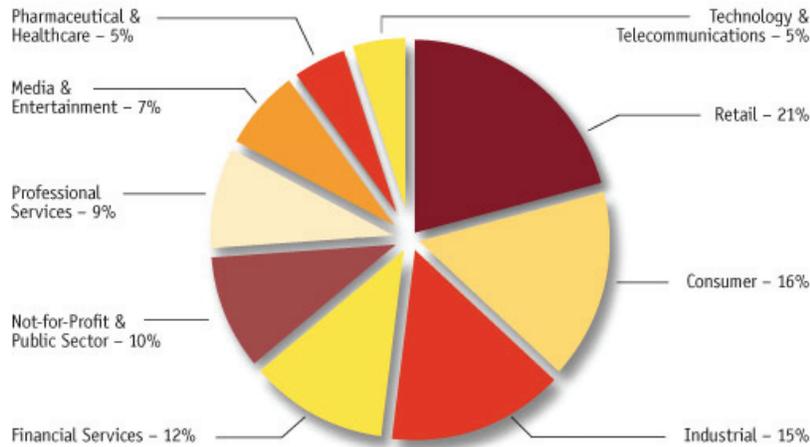
in the pipeline. But being in the pipeline doesn't assure that when a senior leadership spot becomes available, a woman will be promoted into it. Although as previously noted, over 50% of women are at the first and mid-level management positions in organizations, only 16.7% hold the titles of vice president or higher. Without having role models in their own companies, women tend to move to where advancement is more visible and thus possible or again, opt out of the corporate environment to run their own shops.

These are three actions, but a sustained commitment from senior management to diversity in the management and senior management ranks is a must if the workforce is to hold onto its talent. If companies follow these suggestions, they can't go wrong. And if they extend this to both the men and women in their organizations, they likely will have a work force that will do whatever it takes to give them a return that would knock any Wall Streeter's socks off.

Denise Brouillette, MBA, is founder and president of The Innovative Edge, LLC, a San Francisco leadership development and executive coaching organization (www.TheInnovativeEdge.com) and director of their women's career division, Hairpin Turns (www.HairpinTurns.com).

“A sustained commitment from senior management to diversity in the management and senior management ranks is a must if the workforce is to hold onto its talent.”

INDUSTRIES WE SERVE



ABOUT BRIDGE PARTNERS LLC

Bridge Partners LLC is a retained executive search with an unrivalled ability to successfully and efficiently execute senior search assignments, bringing to each project a focus on ensuring that our clients are presented with a diverse slate of candidates.

Our reputation has been built on consistently achieving superior results in the execution of our assignments our approach to executive search is based on high-quality, research-driven search execution. Bridge Partners LLC is dedicated to a client-driven process and we believe that process is maximized by partnering with the client organization on a relationship-driven, long-term basis. We maintain the highest level of ethical standards and integrity with both clients and candidates by placing their interests first and ensuring that our methodology and process is transparent during the entire search process.

DIVERSITY-INCLUSION

We know diversity is a business imperative. As a minority-owned business, it is an intrinsic component of what we do. It is a core value of Bridge Partners LLC and is embedded in every aspect of our culture and practice.

We provide a higher level of service and raise the degree of expectation regarding inclusion in our candidate slates. We recognize that ability is the top priority, regardless of race, gender or any other defining characteristics and our track record of successfully attracting and placing senior level diversity candidates proves our ability and commitment to building our clients' management strength and social responsibility.

SELECT CLIENT LIST

ADVO, Inc.
American Eagle Outfitters, Inc.
Barnes & Noble, Inc.
Brown Shoe Company, Inc.
Campbell Soup Company
Cendant Corporation
Children's Place Retail Stores, Inc.
Colgate-Palmolive Company, Inc.
CVS Corporation
Foot Locker, Inc.
General Electric Company
GNC Corporation
Jackie Robinson Foundation
Karabus Management
Lucent Technologies, Inc.
Merrill Lynch & Co., Inc.
Prudential Financial, Inc.
Schering Plough Corporation
Sodexo, Inc.
Starwood Hotels & Resorts Worldwide, Inc.
Sullivan & Cromwell LLP
Tommy Hilfiger Corporation
University of Medicine & Dentistry of New Jersey (UMDNJ)
USAA
The Walt Disney Company
Winn-Dixie Stores, Inc.



S
t
a
t
i
s
t
i
c
s



Bridge Partners LLC
Executive Search Consultants

8 East 41st Street, 7th Floor
New York, NY 10017
Tel: 212-265-2100
Fax: 212-685-3010
www.bridgepartnersllc.com