

# CareerSmart Advisor™

## Strategies & Solutions for Your Career Success

### A Note From Dave

In this issue of *CareerSmart Advisor*, our feature article addresses the time management and resource management challenges most executives face during their job search. If you're currently in transition seeking a new opportunity while you continue your day job, you know exactly how it feels to juggle your day-to-day duties with the rigors of job interviews and networking meetings.



There never seem to be enough hours in the day to accomplish all we have to do, no matter what our responsibilities are. It takes a lot of motivation and diligence to get the job done, whatever that job may be.

Whether you're looking for a new position right now or just focused on further developing yourself in your present job, creating that delicate balance between accomplishing what you need to do today while planning for future successes is crucial.

How do you make time for all of the professional responsibilities you have in your life and ensure that everything gets the attention it deserves? What's the formula you use to determine the investment you need to make (financial and otherwise) to ensure you meet your goals?

Most of us, I'm pretty sure, don't have all the answers to these questions. But striving to find them is vital to our success as leaders. While we may not be in job search today or tomorrow, we should always be in "career development mode." And reserving the time and resources for that is invaluable.

Sincerely,

*Dave*

Dave Opton  
ExecuNet Founder & CEO  
[www.execunet.com/davesblog](http://www.execunet.com/davesblog)

**PAGE 2** | Career-Enhancing Programs and Networking Meetings  
Expand your learning with expert-led presentations and locate ExecuNet meetings in your area. [[more](#)]

**PAGE 3** | Use Your Head to Get Your Foot in the Door  
Part 2 of a Q&A with author Harvey Mackay. [[more](#)]

**PAGE 4** | The Employed Executive's Job Search Strategy  
**FEATURE ARTICLE**  
Learn how to manage your time and resources to effectively conduct a job search while still performing your daily job responsibilities. [[more](#)]

**PAGE 6** | Guerrilla Marketing for Consultants  
Gain insights into creating and maintaining your own consulting business. [[more](#)]

**PAGE 7** | The Best Ways to Collect Employee Opinions  
Peers share business and career insights in the ExecuNet Roundtables. [[more](#)]

**PAGE 8** | How to Create an Exit Plan for Your Company Today  
Build the framework for a rewarding return on your investment tomorrow. [[more](#)]

**THE NUMBERS**

**KEY EXECUTIVE MARKETPLACE INDICATORS**

- 58% | companies are expected to trade up with new hires for existing jobs in next 6 months
- 58% | recruiters confident executive employment market will improve in the next 6 months
- 51% | recruiters confident executive employment market will improve in the next 3 months
- 24% | companies are expected to add additional executive-level jobs in next 6 months

# Career-Enhancing Programs

July 2010

Hosted by Dave Opton, founder and CEO, ExecuNet  
**INCLUDED IN YOUR EXECUNET MEMBERSHIP**

**7/8 — 12 Tips for a Sizzlin' Summer Search Campaign**  
Karen Armon  
Don't take a vacation from your job search. Learn effective search strategies you should implement this summer season.

**7/16 — Market Your Potential, Not Your Past**  
Karen Armon  
Build a career that works for you, regardless of what happens to you by understanding your economic potential and preparing for the significant employment trends.

**7/9 — Six-Figure Hotline**  
Dave Opton  
Join Dave Opton, CEO and founder of ExecuNet, for an interactive discussion about executive career issues that are important to you.

**7/29 — Looking for a Job When You Have a Job**  
Tony Beshara  
Looking for a new job when you already have one can be a challenge. Discover how to effectively manage both responsibilities as you continue to work toward achieving your career goals.

**7/16 — Six-Figure Hotline**  
Dave Opton  
Join Dave Opton, CEO and founder of ExecuNet, for an interactive discussion about executive career issues that are important to you.

**You're Worth It: Find the Job That Deserves You Now Available On Demand**  
Don Orlando  
If you're unsatisfied with your job, it's time to put a plan in place to find a more rewarding position. Learn how to determine what your next career move should be, and how to get there.

# Networking Meetings in Your Area

July 2010

Hosted by ExecuNet Facilitators

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|--|--|
| 7/6 — <b>Ft. Lauderdale</b> — Jeannette Kraar                                    | 7/15 — <b>Indianapolis</b> — Romona Camarata                                     |
| 7/6 — <b>Indianapolis Sr. Executive Roundtable</b> — Romona Camarata             | 7/15 — <b>Minneapolis</b> — John Wetzel & Barbara Adams                          |
| 7/6 — <b>Miami</b> — Jeannette Kraar   | 7/15 — <b>Louisville</b> — Thom Crimans & Cathy Fyock                            |
| 7/7 — <b>Philadelphia</b> — Mitch Wienick & Ed Kelleher                          | 7/15 — <b>Pittsburgh/Cranberry Township</b> — Tina Winner                        |
| 7/7 — <b>Cincinnati</b> — Jennifer McClure                                       | 7/15 — <b>Houston</b> — Yolanda Brown  |
| 7/7 — <b>Philadelphia Sr. Executive Roundtable</b> — Mitch Wienick & Ed Kelleher | 7/19 — <b>Boston Sr. Executive Roundtable</b> — Marg Balcom                      |
| 7/8 — <b>Atlanta</b> — J. Patrick Haly   | 7/20 — <b>Lexington</b> — Thom Crimans & Cathy Fyock                             |
| 7/8 — <b>Southern Wisconsin</b> — Clara Hurd Nydam                               | 7/20 — <b>Vienna/Tysons Corner, VA Sr. Executive Roundtable</b> — Peter McCarthy |
| 7/8 — <b>San Diego/Carlsbad</b> — Mark James                                     | 7/20 — <b>Irvine (Orange County)</b> — Mark James                                |
| 7/9 — <b>Parsippany</b> — Linsey Levine  | 7/20 — <b>Seattle</b> — Susan Stringer   |
| 7/10 — <b>Melbourne</b> — Jeannette Kraar  | 7/20 — <b>Cleveland</b> — Rick Taylor  |
| 7/12 — <b>Boston</b> — Marg Balcom   | 7/21 — <b>Charlotte</b> — Merton Marsh & Michael Hall                            |
| 7/13 — <b>Greensboro</b> — John O'Connor   | 7/21 — <b>Portland</b> — Jean Walker   |
| 7/14 — <b>New York City</b> — Judy Rosemarin                                     | 7/21 — <b>Raleigh/Durham</b> — Stuart Levine                                     |
| 7/14 — <b>Orlando</b> — Catherine Coates & Mike Murray                           | 7/22 — <b>Atlanta Sr. Executive Roundtable</b> — J. Patrick Haly                 |
| 7/14 — <b>Seattle Sr. Executive Roundtable</b> — Susan Stringer                  | 7/22 — <b>Columbus</b> — Janine Moon   |
| 7/14 — <b>Cleveland Sr. Executive Roundtable</b> — Rick Taylor                   | 7/23 — <b>White Plains</b> — Linsey Levine                                       |
| 7/14 — <b>New York City Sr. Executive Roundtable</b> — Judy Rosemarin            | 7/23 — <b>Rochester/Finger Lakes</b> — Arnie Boldt & Gail Smith Boldt            |
| 7/15 — <b>Milwaukee-Northern Illinois</b> — Paul Bors                            | 7/29 — <b>Dallas</b> — Bob Hueglin   |
| 7/15 — <b>Vienna/Tysons Corner, VA</b> — Peter McCarthy                          | 7/30 — <b>St. Louis</b> — Ken Coleman & Randy Hove                               |
| 7/15 — <b>Columbia-Maryland</b> — Ed Loucks                                      |  |

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## Books Worth Your Time: The Conclusion of an Exclusive Two-Part Interview with Author Harvey Mackay

# Use Your Head to Get Your Foot in the Door

It is wise to consider oneself to be in perpetual job search, always giving everything to a current position while targeting the contacts, experience and tools necessary for the next step. In his latest book, *Use Your Head to Get Your Foot in the Door*, Harvey Mackay, bestselling author and a Toastmasters International top five speaker in the world, offers a career resource guide filled with time-tested guidance for all career stages.

In **part one** of an exclusive interview with ExecuNet, Mackay outlined how to manage the rejection that comes with all job searches, and he offered suggestions on how to effectively network with recruiters.

In part two, ExecuNet Editor Will Flammé asks Mackay to focus his lifetime of award winning experience on negotiation and self-marketing.

### **Q. How does an executive negotiate an offer into one that's more appealing?**

**A.** I say, before you take the job they offer, take the job you want. The important thing is to have a clear idea of what you want before they extend the offer. Talk to other people in your profession to find out what is customarily a part of the job package for a position at this level, especially if you haven't been in the job market for a while.

Don't be too hard-nosed. Be polite, smiling, and, at this point, just gathering information. Usually, for management jobs, it takes several discussions to nail down the details and generate a written offer letter.

Make careful notes during these discussions, and be aware of any slippage as the preliminary talks proceed. It's not uncommon for companies to try to short-sheet candidates they think are really interested in the job or to promise one thing orally and another in writing. If the company starts to backslide, consult your notes and remind them, ever so gently, of what you

*thought* you heard before and what you carefully wrote down. Confirm conversations in writing as soon as possible.

Don't accept the offer until you've covered *all* the topics on your list. That's the best single way to maximize your package. Once you've got the offer, the whole offer, on the table, ready to commit to writing, you're now in a position to discuss the "compared to your needs" part of the equation. This is when you can do some negotiating in the traditional sense. Every company has its own quirky little policies. And so do you.

Don't forget, the secret of negotiating is to negotiate as little as possible. You try to get as much information as you can from the other side while providing minimal information from your side. Your last company, for example, may have provided you with a company car. This one doesn't, even though they have a substantially better pension plan. Is a compromise in order, 50-50 on the car?

### **Q. What are your thoughts on applying niche marketing principles to pitching oneself in a job search?**

**A. Pitchmanship** is a term I use to describe how to apply niche marketing principles to pitching yourself in a job search. There are some perilous myths surrounding niche marketing. Similarly there are dangerous assumptions you steer clear of when you pitch yourself and your credentials for a job.

**Myth one: A pitch has to be chic.** Don't assume that organizations are always on the prowl for cutting-edge talent. Some companies posture themselves so low-key that they expect their people to have state-of-the-art skills, but the culture demands they present themselves with "Aw, shucks!" understatement. Study the organization and the style of the CEO in speeches and articles. It may be impractical to tailor your résumé for each and

every company you pursue, but your cover letter should reflect some understanding of what the organization is about.

**Myth two: A pitch has to be flashy.** There are a lot of companies that are going back to basics. This doesn't mean accountants are now being recruited for their skills with an abacus or their ability to chisel Roman numerals onto slate. In a "back-to-basics" organization, hard-nosed skeptics are generally rewarded. They find a way to make do with what the organization has. Some back-to-basics advocates have no interest at all in working harder. They just don't want things to cost more.

**Myth three: A pitch shouldn't be too narrow in its demands.** Don't assume that because your niche is larger, it's better. In marketing, wouldn't you rather be fighting for half of a 28 percent segment than one-seventh of a 44 percent one?

You may have lost your job as IT director for a mature \$200-million company. An offer comes along for a position with the same title at a \$100-million company with high growth prospects at half the salary. Many companies, as I point out elsewhere, are skeptical about people willing to take large salary cuts. However, if you really want the job, you can make a convincing case that you're committed to signing up with a shooting star.

**Myth four: A pitch has to be neat.** Although most searches are much more sharply defined these days, not all of them have the sharpness of a surgeon's scalpel. On the retail sales front, there are liquor stores in the toniest sections of Manhattan, Chicago's Gold Coast and Beverly Hills that do as much volume in Chateau Ripple, vintage Wednesday, as Chateau Lafite-Rothschild, vintage 1895. Again, research is king. Some companies are wildly inconsistent in the way they are willing to spend money. Learn the profile, and do your best to squeeze yourself into the company suit. ■

# The Employed Executive's Job Search Strategy

By Marji McClure

If you're currently employed and starting a job search on the side, you already know how challenging it is to manage your time so you devote the necessary attention to both important tasks.

Most of your time needs to focus on your present job responsibilities. But, when many experts say that a successful job search requires the same dedication as a full-time job, many executives question how they can find enough hours in the day to do just that.

And it's not just the time investment executives are concerned about. Many wonder how much of a financial investment they should put into their job search and career development activities as a whole, as well as exactly what is worthy of that investment. After all, it's not just an investment toward a new job, but an investment in the future of an executive's career.

## How Much Time Should You Spend?

Because day-to-day tasks comprise the majority of an executive's schedule, executives are challenged to find enough time to conduct and manage their job search. But finding the right balance is crucial to achieve success in both your current duties and future responsibilities.

Perhaps the most effective way in which to accomplish all career-related tasks is to let your work responsibilities double as job search activities, since both

require a consistent amount of dedication. "Time must be spent on building an executive career as well as in managing an executive role within a company," says Karen Armon, founder of Colorado-based MarketOne Executive. "No longer will a company 'assist' you in building your career — it must be part of one's own investment, similar to the work/time/dollars spent in obtaining one's undergraduate and graduate degrees."

Executives should seek to find tasks that equally benefit them (and their career) as well as their organization (and its success). "Negotiate managing your career (networking, speaking, writing, etc.) as part of your 'regular' job duties as a leader of the company," suggests Armon, who facilitates ExecuNet networking meetings in the Denver area. "More and more, companies are asking their top executives to be part of the public narrative in building and personifying the company to its customers. However, not all companies today are as enlightened as they should be, and most expect investing in one's own career is done outside of work hours."

If your organization doesn't allow for career development activities, you need to find ways in which to add those functions into the typical workday. Leave work early to attend networking meetings, or reserve time at night or on weekends to write articles and speeches. "It is similar to getting that advanced degree while you were working — it required commitment

to time/effort and money outside of work in the evenings, weekends and early morning hours," says Armon.

Executives need to spend an average of five to 10 hours a week on career enhancement strategies, Armon says, and Bob Sloane, executive coach and co-founder of Connecticut-based OptiMarket LLC, suggests reserving a minimum of one hour per workday to devote to job search activities. If necessary, take advantage of a "shoulder time period," which is the early morning, late afternoon or evening.

Have a personal PDA or cell phone you can use to respond to job search inquiries, and communicate in writing through a private email address. "Isolate your communications so job search contacts go to those places," says Sloane.

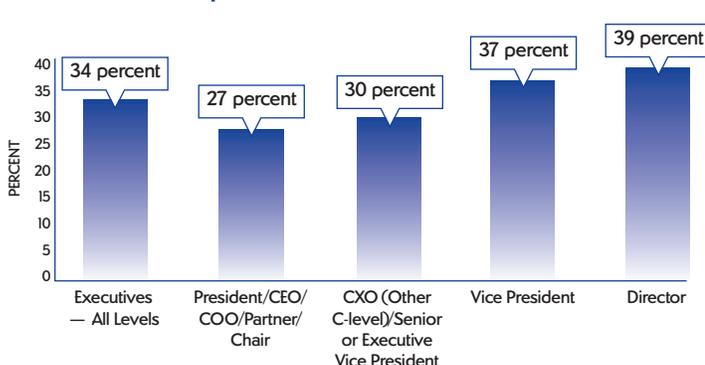
## What Type of Financial Investment is Necessary?

The first year of building your career development plan will be the most expensive since you're going to use that time to create a foundation for both immediate and future career successes. Among the individual investments should be a career coach and Web 2.0 services, notes Armon, who says the following should also be part of the plan:

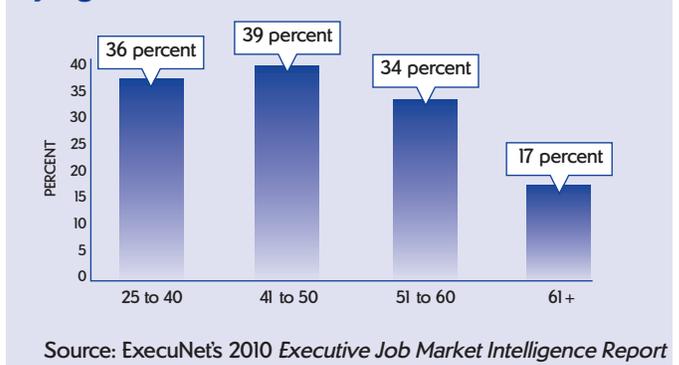
- Article submissions
- Speaking
- Ghost writing
- Media/reporter savvy-ness
- Potential network research

Continued on page 5

### Executives Prepared for a Successful Job Search



### By Age



# Strategy

Continued from page 4

- Personal networking membership
- Executive trend research

Armon says the first-year investment should be a minimum of \$10,000 to \$25,000 in these career development activities. To maintain the momentum, she suggests an investment between five percent and eight percent of gross income (or one month's gross pay).

Overall, executives should reserve 10 percent of their time, talents, money and resources for their search, says Jean Erickson Walker, executive vice president of Pathways/OI Partners Inc., an Oregon-based career management and leadership development firm. "Finding the right position in the right organization that will give you joy and reinforce the passions that make you successful must come before the immediate tasks taking up space on your desk," says Erickson, ExecuNet's Oregon networking meeting facilitator.

## Investing in Support: Coaching and Résumé Writing

While executives do need to take control of the future of their career, they will still need to build a "team" of support to help them achieve their goals. Strong leadership skills don't always translate into the ability to conduct job search and career development tasks.

"There is no relationship between success in business and success in job search because the skills are different," says Tucker Mays, executive coach and co-founder of OptiMarket LLC. "Executive coaching is a good use of financial resources, especially if executives are working, because coaches can do the work for them." Executive coaches bring an expertise that most executives don't possess. Hiring a coach "will save time, money and enormous frustration and will keep you from stumbling as you attempt to learn what works and what doesn't," Walker says. "Your professional expertise is not in finding a job. Partner with someone who knows the ropes and is as committed to your success as you are."

Mays says executives should expect to

## Expert Resources:

- Karen Armon, MarketOne Executive ([MarketOneExecutive.com](http://MarketOneExecutive.com))
- Louise Kursmark, Best Impression ([YourBestImpression.com](http://YourBestImpression.com))
- Tucker Mays, OptiMarket LLC ([OptiMarketLLC.com](http://OptiMarketLLC.com))
- Bob Sloane, OptiMarket LLC ([OptiMarketLLC.com](http://OptiMarketLLC.com))
- Jean Erickson Walker, OI Partners ([OIPartners.net](http://OIPartners.net))

pay 10 to 15 percent of their annual salary for a coach. "Good coaches will get that money back in a year," he says, adding that a coach can help shave four to five months off a job search.

Still, bringing your own self-motivation and drive that made you a successful leader can make this relationship with a career coach even more productive. "You need a coach who will guide, advise and counsel you, but you must do the hard work of identifying what you bring to the marketplace and explaining it in a way that is compelling," says Walker.

Another potential financial expense is the enlistment of a professional résumé writer to help you properly convey your experience on a document that is typically the first contact an executive has with an employer.

"A great résumé is the foundation for all of your career marketing messages, your networking contacts, online profiles, interview conversations, email notes, and everything you write or say during your job search," says Massachusetts-based résumé writing expert Louise Kursmark. "A great résumé jump-starts your search, while a weak or ineffective résumé will be a stumbling block at every stage of the process."

## Education, Training May be Other Options

Hiring managers are typically impressed when executives list education programs they completed on their résumés. It sends the message that these executives have initiative and are eager to learn new concepts and improve themselves as people and leaders.

Yet, some advanced degrees may not be worth the effort or expense. "In terms of MBAs, it depends on how old they are and their industries," says Mays. "If someone is 45, I don't think an MBA is going to enhance their credibility." To determine if a particular advanced certification or degree would benefit

your career, ask others within the industry if it would serve as a differentiator in the job market.

## Don't Delay the Investment

If you haven't started that "engine" yet, it's crucial to begin now. Executives shouldn't wait until they are in job search or contemplating a career transition before they seek out a mentor or a personal board of advisors with whom they can share insights about career development. Ideally, executives should strive to continually invest in such career development activities, especially when they have the most time and resources to devote to this aspect of their careers.

"Many executives see the need to invest in their career at the most inopportune time — when they are in transition and resources are at the lowest level," says Armon. "This is very unfortunate because the ability to build one's executive career is non-existent when one is fighting to survive. I can't tell you how many times I have heard executives say, 'I wish I had known this before. Now, I can't invest in my career, and I have to wait until I land.'"

"Unfortunately, this places an executive into a never-ending catch-up mode that repeats itself, going from digging out of the hole while in transition and building back one's reserves while working, unable to invest at all," continues Armon. "The executive never breaks the cycle and, oftentimes, will watch his/her career go backwards over time due to that lack of investment."

"Executives need to be aware of the world around them and that their roles are changing all the time," says Sloane. If they need additional training and skills to keep up-to-date, executives need to seek out programs on their own, and become more proactive in all of their career development activities when they are better enabled to control the investment and outcome of these initiatives. ■

## Executive Summary

# Guerrilla Marketing for Consultants

As many executives search for alternative career options today, one that is getting increased attention is consulting. Michael McLaughlin brings more than 20 years of consulting experience to the ExecuNet program, *Guerrilla Marketing for Consultants*, in which he offers insights into what executives need to know before starting their own consulting practice and what they need to do to be successful. McLaughlin says the market for consulting services is showing signs of life. And consultants are encouraged that the environment will continue improve. However, client loyalty is tougher than ever before.

How can you be successful in the consulting market? McLaughlin suggests answering the following questions:

- Do you have something to say?
- Do you have someone to say it to?
- Can you execute?

“They are at the heart of becoming a successful consultant,” says McLaughlin. “They sound simple. But take them one at a time.” The answers will help you design your approach to the market and give you a clear idea of how to proceed and land clients more easily, he adds. He says the best consultants have a unique perspective of their expertise and find a way to execute it. McLaughlin suggests finding a compelling idea so people will want to talk to you.

### Formulating Your Plan

McLaughlin stresses that successful guerrilla marketing doesn't require a large marketing budget. But it's important that the marketing plan is based on what you can do, while remaining focused on the needs and values of your clients. The plan must also be clear so people can easily understand what you offer. A one-size marketing plan doesn't fit everybody, says McLaughlin.

Essentially, guerrilla marketing is everything you do to promote your consulting practice, from client interactions (how you answer the phone) to reports

you write, says McLaughlin. “Insight and value and ideas are embedded in your marketing,” he says. “You're investing time, effort and energy in your marketing.”

You need to be able to differentiate yourself in the market and show clients that you are not a risky choice.

A marketing plan can consist of seven sentences:

1. Explain the purpose of your marketing.
2. Explain how you achieve that purpose by explaining the benefits you provide.
3. Identify the target markets. Where are you working? (Target markets could be executives, companies, particular geographies).
4. Determine your niche or specialty in that market.
5. Decide on the marketing tactics you're going to use. How will you convey the marketing tactics you're going to use? How will you convey your message to the market? (speaking engagements, blogs, website).
6. Create an identity for your business. What do you want clients to think of you?
7. Calculate your marketing budget. What are you planning to invest? (This represents more than money; also time).

McLaughlin adds that it's necessary to create a project plan that illustrates how you will execute your work — what you need to do and when you need to do it. How much time should you spend on your marketing? McLaughlin says 60 percent should go to existing clients, who

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The best consultants have a unique perspective of their expertise and find a way to execute it.

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can be good sources of leads and referrals. The rest should be focused on people who don't know you yet.

### Pricing Your Offering

Once your marketing plan is in place, the next step is to develop pricing, which is how you sustain and grow your business. McLaughlin says pricing should be determined on a case-by-case basis and it should be project specific. “Your perception of value could be different from your clients,” cautions McLaughlin. “Identify expected value and come to that agreement on value before you establish price. Have a price aligned with value.”

McLaughlin says to remember that any point of interaction with a client is a marketing moment. “We want to design that compelling service offering and have a roadmap that moves it forward,” says McLaughlin. “When we do all of those things, we can create a good position in the marketplace.” ■

### Guerrilla Marketing for Consultants

Presented by Michael McLaughlin and available on demand

Many senior-level executives are exploring consulting as the next step on their career journey. In this program, Michael McLaughlin will explain what executives need to know to make it a success one. He will guide executives through the world of consulting and explain how to:

- Learn the nine qualities necessary to become a successful consultant.
- Ensure your practice has the seven distinctive qualities of any successful consultancy.
- Implement four winning value drivers which will ensure your success in a very competitive marketplace.
- Create a simple, concise seven sentence marketing plan.

## From the Roundtables

# The Best Ways to Collect Employee Opinions

*ExecuNet's Roundtables are an online community area where members can meet and help one another network their way into their next assignment or share information and experiences. [Access the Roundtables under "Make Connections" on the ExecuNet member homepage.] In this excerpt from a recent General Management Roundtable conversation, members discuss the best ways in which to obtain feedback from employees. [Some content has been edited.]*

### **ExecuNet Executive Community**

**Coordinator Jeffrey Thompson:** I was recently speaking with a friend of mine who is an HR executive for a large financial company. We were discussing the importance of employee opinions and how her company was working with team leaders and managers to create the most productive process for collecting opinions. She explained that some managers felt a weekly forum with their teams was the best way to collect this data, while others preferred one-on-one meetings. Some indicated that a suggestion box would be best. As a senior executive, what is your preferred way of collecting employee opinions?

**ExecuNet member MM:** I prefer all options simply because one tool is not enough. For example, I would use a brown bag lunch at which human resources would randomly select from a cross-functional list and invite them to lunch. Typically, no more than 10 would be invited. This was well-received. We would ask them to send in their questions ahead of time simply to get the conversation started and break the ice.

One-on-one is a must since some folks do not like to speak in a large forum. And last are the department or communication meetings. These are also well-received, but sometimes employees just don't want to ask the hard questions or really say what's on their minds due to fear. Finally, the employee surveys are good only if the company acts on them and shares the results with employees.

**ExecuNet member MH:** Managing employee communications is a critical

function in today's pro-union environment. I recommend that every organization operate on a top down communication policy with company-wide meetings held at least twice a year by the president, VP or CFO.

The next piece of the communications process is an annual or bi-annual survey. But it is not enough to ask the employees how they feel. You need to debrief the department groups on the results and ask them to voice — with full confidentiality — any issues that need to be resolved in their departments. We conduct these meetings with the VP and the HR director. Finding out these problems and solving them openly for employees makes them feel empowered and loyal. It's quite a return on your investment for listening and responding.

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I prefer all options simply because one tool is not enough.

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The next level of communication has to be with the department director or manager attending supervisory meetings on a regular basis. Human resources management needs to do the same thing — share new policies, new initiatives, report on progress of projects, etc.

The single biggest problem with “suggestion boxes” is that management means well when it states it will respond, but the facts are that many boxes remain unopened for months, or an initial

response is sent to the employee. But then the employee hears nothing in follow-up. The second biggest issue with “boxes” is that the employee is uncomfortable being seen putting anything in suggestion boxes that are not online. If ideas are welcome, or reporting problems that management needs to know about is encouraged, then why tie it to a box?

**ExecuNet member KS:** With smaller teams, the forums and one-on-one meetings are excellent because they add a personal touch and provide the opportunity for direct interaction. The size of the business and the number of opinions you need to hear must also be considered. A business-wide survey for all employees can be very effective for several reasons. You will receive more opinions and a broader cross section of opinions. Many people are just not comfortable speaking up in a public setting, so their opinions will go unheard. If they have time to think about what they want to say and write it down, anonymously if they prefer, they are more apt to reply.

**ExecuNet member DG:** When I was leading an organization in a remote office for my company, I established a group of what I termed “change agents.” I had each director at the facility identify a well-respected and vocal person from their organization to establish the initial set of change agents. Their role was to act as an advocate for their team. People could communicate issues, questions and concerns to the change agent, who would then bring these to a monthly meeting where I, along with the other change agents, would discuss all of the items. The change agents would take the answers back to the original questioner, and we would also publish minutes from the meeting to the whole organization. I had about 12 change agents on the team. ■

## Insider Insight

# How to Create an Exit Plan for Your Company Today

By Bob O'Hara

Either due to need or desire, most business owners will eventually sell their company or transition it to key employees. Regardless of whether that transition is down the short or long road, the actions taken today to preserve and create business value will chart a better course for a rewarding tomorrow.

Without question, the present challenging economic landscape has some business owners trimming costs to mitigate risk; while that strategy seems prudent on face value, eyes should remain focused on the end game — to sell your business for a sum that will enable you to live the rest of your life comfortably.

### Plan for Tomorrow Now

To achieve the highest return for tomorrow, it's important to ask the hard questions and formulate an eventual exit plan during the early stages of a business. While this might seem counterintuitive during the first years of entrepreneurship, having at least the bones of an exit or succession plan will give you, as owner, peace of mind. And it will also provide motivation for employees in consideration for top seats in the event the business is transferred to the management team or sold outright to a third party.

That said, a business owner should

decide early on who will run the business if and when he leaves. It's an unfortunate fact of life that the unexpected can and will occur; even if the notion of selling or transferring ownership to key employees is distant, "stuff" can happen between now and then. But with a leadership pyramid in place, you can calm some of the fears associated with the unexpected.

### Bolster Team Responsibilities

That pyramid shouldn't be on paper only — take measures to include and mentor those key employees on decisions that will affect the business's future.

For example, the individual who oversees finances should accompany you to bank meetings. And the person in charge of operations should be allowed to set policies. By sharing authority and decision-making responsibilities, you can build upon the equity of your business, not only positioning it for the future in terms of management, but also increasing its potential value.

It's a fairly basic equation; a sole person in charge creates a weak link to the future as all responsibility is tied to that individual. But a business overseen by several top-notch employees has a process in place that can better build productivity, increase cash flow, and add value when the time comes to sell.

### Continue Adding Value

Planning for the eventual exit doesn't begin and end with a succession team roster; you need to spend as much time, if not more, working on other aspects of your company's future as you do being involved in current daily operations.

To create value, you have to drive it. It takes time, planning and effort to increase cash flow, develop and improve operating systems, pay down debt, implement growth strategies and build that strong management team. These fundamental elements are vital to ensure a smooth and lucrative exit plan.

Making arrangements for the "end" of a business you're building can seem overwhelming. It's not easy to think about the business you bore, bred and nurtured being in the hands of someone else.

But that day will likely arrive, and when it does, potential buyers will want the obvious...a business with robust monetary value, a solid management team, a positive industry/market reputation and a strong competitive advantage.

The time spent now to preserve and increase your company's value will pay off...in both the short- and long-run. ■

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