

POST ACQUISITION INCENTIVE PROGRAM

Functional Area: Human Resources

Industry: Energy Services Multinational

Strategic Issue Business was acquired to obtain a product line that would complement existing portfolio. Ease of handling and lower TCO indicated opportunity for growth of 400% over subsequent 5 year period. Entrepreneurial management team that built the company to the present level was expected to guide the business to the next plateau

Challenge: Implement a compensation incentive that will retain the executive team through providing the executive team with wealth accumulation opportunities that adequately reflects the value they create.

Action: Conceptualization and development of a 'phantom share' appreciation right's incentive program based on the valuation of the business 5 year after acquisition.

Document and test design.

Presentations for Management & Board.

Drafting plan material and communication.

Drafting executive contracts incorporating the new value creation plan.

Outcome/Result: Executive team retained until company determine they did not have the capability to grow steady state operating business.

Plan served as a mechanism to attract new executives who are on track to achieve the growth objectives.

LONG TERM INCENTIVE FOR GROWTH

Functional Area: Human Resources

Industry: Energy Services Multinational

Strategic Issue Multinational energy services company operating through semi-autonomous business units was seeking to build capability for international growth. Current incentives were primarily geared to short-term EBITDA growth. Stock options were not perceived to be of material value outside of NA, and share values did not consistently reflect operating performance. Dilution was becoming a concern to the Board.

Challenge: Implement a new long-term incentive arrangement for senior, global operating management that would serve as a meaningful incentive to grow business units over multi-year performance cycles.

Action: Conceptualization and development of a 'performance cash' incentive program based on key internal growth measures.

Document and test design.

Presentations for Management & Board.

Drafting plan material and communication

Implementing record keeping standards and system

Outcome/Result: Unit leaders granted 'shares in their units- created ownership mindset, greater alignment and commitment.

Performance measures directly under control of BU leaders.

Avoided annual negotiation of performance target- direct drive where actual results determine unit value.

Equitable participation in the plan across regions

Revenue growth

INTERIM EXECUTIVE ROLE

Functional Area: Human Resources

Industry: Pharmaceutical

Strategic Issue Two global pharma companies merged their business. The merger of the Canadian subsidiary was not meeting CEO expectations- particularly in the change management program and general support from the HR function.

Challenge: Assume the interim role of VP HR and take control of the organization integration agenda.

Action: Refocus integration plan from one of 'cheerleading' to one of meaningful business action.

Release HR executives from both organizations.

Prioritize actions of the HR function.

Restructure HR function to directly support high value activities.

Outcome/Result: Effective and stable integration process.

Improved capability of the HR function.

Direction to the executive team on continuing approaches to performance improvement (eg. through deployment of balanced scorecard approach).

Stable HR function for transition to new leadership.

COMPREHENSIVE AUDIT OF THE HUMAN RESOURCES FUNCTION WITH THE GOAL OF IDENTIFYING THE STRENGTHS AND OPPORTUNITY AREAS WITHIN THE ORGANIZATION.

Functional Area: Human Resources - Audit

Industry: Equipment Distributor

Summary: Atticus Human Resources conducted a comprehensive audit of the Human Resources function at Client B with the goal of identifying the strengths and opportunity areas within the organization and making recommendations to address those opportunity areas.

Client B is global manufacturer and marketer of business machines, records storage and office accessories

The key focus of the review was to assess the current human resource practices, procedures and policies within the organization to identify any concerns with respect to legislated compliance requirements and areas where best practices could be adopted

Approach: A comprehensive audit assisted us in identifying the strengths and opportunity areas within the organization and making recommendations to address those opportunity areas. One on one in-depth interviews were conducted with the senior executive team and the HR staff to understand the current state and identify the future state vision for the HR function within the company. Interviews covered all functional areas of the business including: Human Resources, Sales & Marketing, Operations and Finance.

The audit scope included the following topics:

- Documentation
- Recruitment
- Training & Development
- Compensation & Benefits
- Performance Management, and
- Termination & Transition

Deliverables: The key focus of the project was to determine the factors that were contributing to employee turnover and develop recommendations to help the organization improve retention. Several key themes emerged from the review:

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- Hiring / Onboarding / Training Process
- Supervisory/Team Lead Identification/Development and Promotion
- Accountability / Teamwork
- Communications
- Job Requirements / Tools
- Recognition

Recommendations: The following is a summary of the selected Key Recommendations Areas identified and further detailed in our report:

1. Documentation
2. Recruitment
3. Offer Letter
4. Orientation
5. Training and Development
6. Performance Management
7. Termination & Transition
8. Compensation & Recognition
9. Benefits
10. Core HR Competencies

Conclusion: All of the key recommendations were implemented over several months resulting in increased business unit confidence of the HR function, improved effectiveness of the recruiting and onboarding processes, improved linkages to the corporate head office which eliminated unnecessary redundancies. Many of the key HR processes were re-engineered to bring them in line with best practices and ensured that regulatory compliance was met. Additional support and coaching was provided to the HR team which in turn improved overall employee morale and engagement.

IMPROVED PERFORMANCE, REDUCED COSTS AND AN ENGAGED WORKFORCE WITH INCREASED EMPLOYEE SATISFACTION.

Functional Area: Human Resources - Employee Retention

Industry: Food Services

Summary: Staff turnover rate within the selection department is approximately 48% and has been at this level for the past few years. Most of the employee turnover occurs within the first 6 months of employment. This has resulted in significant increases in recruitment activity, reduced productivity, increase overtime and potentially increased fatigue and stress with the existing workforce that may result in additional turnover amongst the experienced and highly productive employees. A similar situation exists within the transportation group albeit the turnover rate is much less than the selection department. The current situation cannot be sustained and solutions are required to reduce turnover quickly. Atticus was engaged to investigate into what factors were contributing to the above conditions and make recommendations that would lead to improvements.

Approach: Atticus proposed a multi-phased approach that includes: diagnosis, design, development and delivery phases. Several employee focus groups were held across the Selection and Transport departments, including one on one meetings with key management staff. We also participated and helped to facilitate two of the employee councils that CLIENT A had recently started to implement.

Deliverables: The key focus of the project was to determine the factors that were contributing to employee turnover and develop recommendations to help the organization improve retention. Several key themes emerged from the review:

- Hiring / Onboarding / Training Process
- Supervisory/Team Lead Identification/Development and Promotion
- Accountability / Teamwork
- Communications
- Job Requirements / Tools
- Recognition

A summary on each of the above themes along with detailed recommendations was provided to CLIENT A in a report for their consideration.

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Recommendations: The following is a summary of the selected Key Recommendations Areas identified and further detailed in our report:

1. Onboarding
2. Identification and Selection
3. Performance Management and Development Planning
4. Supervisory Training
5. Equipment / Tools
6. Employee Recognition Program

Conclusion: The end result would be a significant decrease in employee turnover through a better trained and engaged workforce led by effective leaders who are trained and equipped to effectively carry out their responsibilities. All of this has resulted in improved performance, reduced costs and an engaged workforce with increased employee satisfaction.



OPENING NEW FACILITY WITH A FRESH, POSITIVE PRODUCTIVITY-ORIENTED CULTURE

Functional Area:	Human Resources
Industry:	Aerospace Manufacturing
Strategic Issue:	Need to close two existing facilities and then create one green field start up with a pro-employee culture accentuating productivity.
Challenge:	To maintain production throughput and customer support during transition, retaining key technical staff and customer shipments.
Action:	Developed and implemented a pro-employee productivity-oriented culture supported by policies, procedure, community participation programs and compensation schedules. Recruited 400 skilled staff: conducted orientation and training.
Outcome/Result:	50% increase in company productivity with enhanced profitability and customer satisfaction.

RESTRUCTURING AND RECRUITING NEW MANAGEMENT TEAM TO MEET FUTURE GROWTH OPPORTUNITIES

Functional Area: Human Resources

Industry: Custom Manufacturing B2B Operations

Strategic Issue: Owner/Entrepreneur family business requires senior experienced professional management team to ensure ongoing strategic growth.

Challenge: To attract and recruit difficult to find specialized Management Team and develop an Incentive Compensation Program supportive of aggressive corporate growth and profitability targets, and to enhance the entrepreneurial, pro-employee productivity culture of the business.

Action: Developed a pro-active recruiting campaign with targeted outreach to selected candidates along with the design and implementation of a Balanced Scorecard Incentive Compensation Plan with personal and corporate objectives to ensure the success of the organization.

Outcome/Result: New Management Team recruited and working with Owner/Entrepreneur to grow business based in identified strategies and objectives.

IMPENDING ACQUISITION WITH UNMARKETABLE COST STRUCTURE

Functional Area: Manufacturing Operations Human Resources

Industry: Consumer Packaged Goods

Strategic Issue: The President and CEO of this publicly traded consumer packaged goods company in a strategic growth phase had targeted two strategic acquisitions that fit the company's current asset mix. The mandate was to grow the business profitably within a positive employee environment. He realized that one of the target acquisitions with a militant unionized manufacturing work force had one of the highest cost structures in the industry that would not allow the market penetration required to meet future growth requirements. The second acquisition although profitable would require relocation to the facility of the first acquisition so addressing the cost structure was strategic to the acquisitions.

Challenge: The Company did not have a professional Human Resource function and the first step was to negotiate significant concessions with a militant union group. The President and CEO having worked with Jack Carter on previous strategic issues decided that Jack would bring the necessary creativity and expertise to handle the negotiations and relocation of staff.

Action: Union Concessions and Competitive Cost Structure.
Jack Carter worked with the CEO and CFO first of all to conduct an intensive Human Resource Audit to assess the capabilities of critical staff and leadership expertise and to develop a strategic approach to the impending union negotiations requiring significant concessions and revised restrictive work practices. The CEO knew the Board would not go forward with the acquisitions without these changes.

Outcomes/Results: Happy Ending - After Jack completed the negotiation of a long term collective agreement with a 30% reduction in cost structure ensuring no work stoppage the CEO was able to capture significant multimillion dollar supply agreements with major Brand Name organizations, return to profitability with enhanced share value. Over time the culture of entitlement became a culture of accountability.

MARKET SATURATION OF EXISTING PRODUCTS RESTRICTING GROWTH AND PROFITABILITY ACQUISITION WAS REQUIRED

Functional Area: Strategic Human Resources

Industry: Private Health Care Provider

Strategic Issue: The Company entrepreneur/founder and CEO of this Private Health Care Provider realized that existing products and services had reached a plateau as the result of market saturation and reimbursement policies. As a result they would not reach their desired growth and profitability targets. The CEO embarked on an aggressive acquisition strategy. With financing in place the initial acquisition target was a similar Private Health Care Provider that was double the size of the existing company

Challenge: Realizing that neither company had a professional Human Resource function in a labour intensive environment the company decided that they should seek a third party perspective and expertise with the Human Resource element of this important acquisition. Jack Carter was selected as the resource with the creative initiative and expertise to assist with this acquisition and establish Human Resource Best Practices for the now much larger corporation.

Action: Human Resource Acquisition Strategy and Human Resource Best Practices. Jack Carter worked with Company Management to review and enhance the Company's Human Resources Systems, including its infrastructure, policies and procedures, compensation structures and reward systems, benefits programs, performance appraisal systems and human resource records management and reporting systems.

The first key initiative was the development and execution of a Human Resources Integration Plan and phased operational restructuring related to the Company's impending acquisition.

This was followed with the development and execution of appropriate legal employment agreements/templates with appropriate covenants for all acquired executive, management and staff.

Jack then guided the organization with the development and execution of a Human Resource Roadmap tied to the ongoing and future needs of the business including the implementation of Human Resource Best Practices for the Company.

Outcome/Result: A Successful future - With a proven Human Resource Acquisition Strategy in place supported by Contemporary Human Resource Best Practices, The Company has reversed the business trend and are experiencing remarkable growth, have conducted several additional acquisitions with sales record levels.

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RATIONALIZATION AND MERGER OF OPERATIONS

Functional Area: Manufacturing Operations Human Resources

Industry: Personal Products and Consumer Goods

Strategic Issue: Rationalization and Merger of Operations.
The Canadian Vice President of Human Resources of this US Headquartered world leader in Consumer Packaged goods had received word that the decision had been made to amalgamate selected subsidiaries in order to receive enhanced efficiencies and significant cost reductions. Although very competent with operational issues she realized that she did not have the expertise to provide appropriate leadership to merge the two independent Ontario based business units. She realized this would be a very stressful transition for her and would require third party expertise. Having worked with Jack Carter on previous strategic assignments, she decided that Jack would bring the necessary leadership and experience to guide the company through this sensitive exercise.

Challenge: To blend and amalgamate two similar but independent business units without interruption to business operations and to retain valued professional staff and exit redundant staff in an appropriate and professional manner.

Action: Transition Plan and Operational Restructuring.
Jack worked with the Vice President of Human Resources and Operations Management to set up a transition team, confidentiality strategies and the development of time lines. The first strategic issues targeted the development of a new viable operating infrastructure including the harmonization of functions, integration plan to define the reassignment of titles, reporting lines and identification of redundant staff and exit strategy. Jack guided them through the very emotional task of deciding on redundant staff.

The development of an all-encompassing communication plan was essential.

Outcomes/Results: Some Pain but desired outcome achieved. Although an emotional and painful process for some staff, the Human Resource element of the merger implementation was completed on schedule, on budget with a relatively seamless integration of staff and locations. Resultant cost reductions were achieved without serious impact to customers, staffing and morale. Vice President of Human Resources was promoted to the head of a large US division within 1 year.

TURNAROUND OF MONEY LOSING, INEFFICIENT MANUFACTURING OPERATIONS

Functional Area: Manufacturing Operations Human Resources

Industry: Apparel Manufacturing

Strategic Issue: The CEO and CFO of this well-known apparel manufacturing Company realized they faced a bleak situation where the continued operation of their outdated and inefficient manufacturing facility would result in continued negative financial results for this publicly traded company, including a stagnant share price. Recognizing that they were at a crossroads with this situation and realizing they needed some third party perspective and expertise. Jack Carter was recommended to the CFO by a business associate who had experienced Jack's creative approach to business problems.

Challenge: Their immediate challenge was to find a creative way to relocate 250 skilled garment workers to a new modern and cost effective manufacturing facility in the adjoining municipality. This had to be accomplished without significant loss of skilled staff, interruption to the business flow and without massive severance payments that could bankrupt the company.

Action: Relocation of skilled staff to new facility - Jack Carter worked with the Executive and Operations Management to understand their business requirements along with the financial, operational and legal landscape they were working with in this competitive environment. Jack then developed and executed along with management, a creative communication and re-employment program resulting in the planned transfer of 90% of the unionized apparel operators to the new facility without significant severance or relocation costs.

Outcomes/Results: Increased profitability and enhanced share price
Supported by new efficiencies and a significantly lower cost structure at the new location this Company has been able to reverse the losing business trend, return to profitability with significant appreciation of their share price with an enhanced relationship with their employees.

INTERIM VP REVAMPED MARKETING STRATEGY AND HIRED PERMANENT VICE PRESIDENT

Functional Area: Marketing & Human Resources

Industry: Building Materials Manufacturer

Strategic Issue: No leadership or strategic direction in the marketing department.

Challenge:

1. To define a marketing strategy for this leading brand without missing deadlines for the upcoming season.
2. To define the department organization structure and recruit a permanent Marketing VP.

Action:

1. Placed an interim VP Marketing who conducted research to define a market leading strategy and coach the team to upgrade their skills and develop better materials to support the new selling season.
2. Interim VP defined recruiting profile for a permanent VP and led the recruiting process. New VP hired within 4 months of start of engagement.

Outcome/Result: The entire organization focused on the key marketing objective and message and a permanent VP was hired within four months of the start of the engagement.

MARKETING ORGANIZATION STRUCTURE DESIGNED TO MEET CORPORATE NEEDS

Functional Area:	Marketing
Industry:	Financial Services
Strategic Issue:	Dysfunctional structure within the marketing department.
Challenge:	To redesign a former corporate communications group into a marketing department and assess the skills of the incumbent employees.
Action:	Defined role descriptions and identified suitable employees to fill them with some employees redeployed and new people hired. Coached new director on writing the first marketing plan for the organization.
Outcome/Result:	An organization structure designed to meet the marketing needs of the organization and a director identified for a future VP role.