

Research Highlight

Is it Worth it to Win the Talent War?

Retaining top performers is a crucial priority for all organizations, yet most have difficulty obtaining and keeping top talent. McKinsey's "War for Talent" report found that only 10 percent strongly believed their companies retain most of their high performers. Even with the recent economic slowdown, companies face pressure to retain talent. The Bureau of Labor Statistics projects the labor supply will grow by 17 million while labor demand will increase by 22.2 million in 2010.

Pay For Performance - A Key Retention Tool

In an effort to retain top talent, organizations worldwide are linking compensation to performance. Top performers are more likely to stay if their compensation is linked closely to their own results. Although many companies have launched programs that reward team, business unit, and corporate performance, research shows they believe individual pay-for-performance is most effective because it is associated with higher performance at both the individual and organizational levels.

Although a cost vs. benefit analysis would classify pay-for-performance as an extravagant way to "win the talent war," traditional accounting-based methods used to calculate the impact of an executive compensation system have taken a limited focus in recognizing the downstream value a talented manager can bring to an organization, according to researchers Michael C. Sturman and John W. Boudreau (CAHRS), and Charlie O.

Trevor and Barry Gerhart (University of Wisconsin-Madison).

That's because traditional accounting doesn't consistently incorporate (or fails to incorporate):

Movement costs; the projected expense of employee movements into and out of the workforce under various compensation program options. Movement costs include direct expenses, such as separation costs (exit interviews, separation pay), replacement costs (advertising, travel expenses, interviewing and testing candidates), and training costs (informational literature costs, paying trainers). They also include indirect expenses, such as the lower productivity of new employees as they learn the job, direct supervision of new employees and diminished productivity of veteran employees as they mentor and help new employees.

Service costs; the total costs required to retain and support the work force. This includes pay and benefits and may vary with employee performance. For example, higher performers may use considerably more materials or resources than lower performers and receive significant bonuses or stock option grants. Absent such factors, estimating service costs simply involves adjusting projected salary levels upward to reflect additional service costs (i.e., benefits), multiplying the resulting values by the number of employees in each year, and summing the products across years.

A Comprehensive Utility Model

Is it worth it to use pay-for-

In This Issue

- 1 Is it Worth it to Win the Talent War?
- 2 Up Close with Dennis Zeleny DuPont Corporation
- 3 Executive Guest Speakers
- 4 CAHRS Executive Roundtables 2003
- 5 Anthony Ciolli, ILR's Quickest Graduate
- 6 CAHRS Fall Sponsor Meeting
- 7 SHRLOE Meeting
- 8 The GAP
HR Company Profile
- 9 Save the Date
- 10 In The News
- 12 CAHRS Events Calendar



performance in an attempt to win the war for talent? To address the question, the researchers designed three compensation strategies. For each, they estimated a four-year stream of service costs and service value using a utility model based on:

- the subsequent turnover probabilities
- performance distributions expected under each
- costs for each by estimating employee comp and benefits
- expenses associated with employee movement out of and into the workforce

Up Close With...

Dennis Zeleny of DuPont Corporation

Founded to manufacture explosives in 1802, DuPont Corporation turned to chemicals, materials and energy in 1903. Operating today in more than 70 countries worldwide with 135 manufacturing and processing facilities, the company delivers science-based solutions around the world in food and nutrition, health care, apparel, safety and security, construction, electronics and transportation.

“DuPont has thrived longer than any other American company because of its twin commitments to scientific inquiry and change,” says Dennis Zeleny, DuPont’s Senior Vice President of Human Resources. “Delivering on these commitments consistently requires a highly trained, well-connected and stable workforce.”

Unlike most companies, which focus their strategies on growth or productivity in limited geographic regions, the \$30 billion company, which has more than 78,000 employees around the world, is targeting growth and productivity simultaneously. China, South Asia and Eastern Europe continue to provide significant growth opportunities for DuPont’s products, which include well-known brands like Teflon, Lycra, Dacron and Corian. However, in western markets like North America and Europe, productivity is a fundamental strategy. “For us, growth and productivity aren’t simply corporate missions,” says Zeleny. “They’re imperatives for success in the 21st century.”

DuPont has added biology capabilities to its traditional strengths in chemicals and materials to seek opportunities where more than one science comes together. “Future products and services don’t necessarily come where you found your last opportunities,” says Zeleny. “Sustainable growth has three dimensions: the environmental component - producing environment and friendly products using safe technology; the market sense - producing differentiated products to compete in the market; and the economic component - earning economic return so we can invest anew. DuPont sees plenty of opportunities for integrated science to play out in our sustainable growth.”

The human resources implications of the company’s strategy are immense. “Our first step is to make sure that everyone in the company knows what it means to be part of a sustainable growth company,” says Zeleny.

DuPont’s HR organization comprises four key elements:

- Centers of excellence, managed globally, in key

functional areas like compensation, benefits and learning centralized at the company’s corporate headquarters in Wilmington, DE.

- Business unit human resource professionals in each of the company’s 20 business units, who handle recruiting and other HR needs specific to that business line, drawing on the knowledge of corporate functional experts.

- Five HR regional leaders in Asia/Pacific, Middle East/Africa, Canada, Mexico and South America coordinate compensation, training and other issues in their world regions.

Shared services, which manages payroll, expatriate, pension and employee relocation administration on a global basis.

Zeleny trained well for his new role before assuming it in July 2001. Throughout his

career, he has held a broad range of senior human resources leadership roles in the areas of leadership development, organization design and effectiveness, talent management, staffing, learning, compensation and benefits. Prior to joining DuPont, he was vice president, worldwide human resources for Honeywell and held a variety of senior human resources positions at other major corporations. In addition, Zeleny served as vice president of human resources for AlliedSignal’s \$6.5 billion automotive sector and as vice president, worldwide human resources for Honeywell, following the AlliedSignal/Honeywell merger.

“One of my key goals at DuPont is to build the best human resources organization in the world,” says Zeleny. “To support our company’s operations successfully, our HR staff must be lined up appropriately against our operating units and understand their business propositions. They also need to stay close to the needs, goals and challenges of the business unit to which they’ve been assigned.”

Reflecting HR’s key strategic role, annual Organization and Leadership Reviews (OLR) have become a core metrics for each senior business leader at DuPont. During an OLR, executives review their people with the company’s human resources team, discuss their bench strength as well as how they plan to develop and redeploy their talent. According to Zeleny, “This program has helped our business create the right people equation and emphasize crucial development and deployment of their human assets.” *hr*



Dennis Zeleny

DuPont, Inc., joined CAHRS in 2003; the ‘Up-Close With ...’ profiles feature interviews with leaders of CAHRS sponsors.

Fall Semester 2003

Executive Guest Class Speakers

This semester has been very busy for our sponsors. The ILR School enjoyed over 25 CAHRS Sponsor Executive speakers during the past four months. Their visits to Cornell are largely the product of the relationships that CAHRS forges between sponsor organizations and ILR faculty. Sponsors are invited to participate in classes as guest lecturers on HR topics of interest. This is a great way to make contacts with current students and to develop their education in desired HR fields of knowledge and research.

CAHRS serves as a broker, matching speakers to classes, and helping sponsors to get the most out of their classroom appearances by working closely with faculty to link topics to educational objectives. CAHRS is pleased to continue bringing human resource executives to the ILR School to participate in our classes. 

If you would like to participate in our upcoming HR courses as a guest lecture during the Spring 2004 semester, please contact Dr. Pamela Stepp at 607-254-4829 or pls8@cornell.edu. We will be working with the ILR faculty to gather a list of topics where guest lecturers will be needed.

Date	Company	Speaker
September	fw/ Toys R Us	Mike D'Ambrose
	GE	Brad Greene
	Cornell	Mary Opperman
	Texas Instruments	David Reid
October	CIGNA	Curt Mathews
	Pfizer	Don Nelson
	IBM	Randy MacDonald
	Lucent	Pam Kimmert
	Northrop Grumman	Ian Ziskin
	Lincoln National	George Davis
	Texas Instruments	David Reid
	American Express	Ursula Fairbairn
	BMS	Marc Kanoff
	November	CIGNA
IBM		Bob Calamai
UTC		Bill Panetta
Microsoft		Ken DiPietro
Corning		Richard O'Leary
Colgate-Palmolive		Coleen Smith
fw/ TRW		Howard Knicely
IBM		Bill Matson
Citigroup		Ana Duarte McCarthy
Fidelity Investments	Bob Gonzales	
December	Colgate-Palmolive	Bob Browning



Adam Booksin, CIGNA



**Bob Browning,
Colgate-Palmolive**



**Bob Gonzales,
Fidelity Investments**

Sponsorship Exclusive Experience

CAHRS Executive Roundtables 2003

Cornell students continue to play a major role in the CAHRS partnership with faculty and executives. Once again there was a wait list for executives wishing to interact with incoming ILR grad students, second year grad students and select seniors and juniors who focus on HR. Nineteen executives were given the opportunity in late August to share their career experiences and advice to ninety future HR leaders. Discussion topics focused around the job market, international opportunities, the importance of understanding the business, necessary skills for HR professionals, and issues facing individual companies.

Overall the executives were impressed with the energy and intelligent questions put forth by the students during the roundtable discussions. When asked what they liked best about the event executives answers ranged from, "I liked the opportunity to give back and share my knowledge and experience with students," to "It was a great chance to hear what students are thinking, get a look at the talent pool," and "I liked helping Cornell ILR imprint the students with another notion that they are special people in a special place." Executives wishing to participate next year should respond quickly to the invitation in the summer 2004. The event is just as popular with the students as it is with the executives but the space is limited.

The next CAHRS Executive Roundtables session is scheduled for August 24, 2004. 



Gerry Kells, Johnson & Johnson



(on left)
Dermott Whalen,
Novartis



Adam Booksin, CIGNA



Andrea Gordon,
Microsoft



Cindy Maher,
Aetna



Marc Kanoff and Jim Ellinghausen, BMS



(third from left) Ron Hiserodt, ALCOA

Ronnie Kurtin,
Shell

Mike Mead, Raytheon

(on left) Steve Leven,
Texas Instruments

Keeping Up With Our Students?

Anthony Ciolli, ILR's Quickest Graduate

"ILR Student To Graduate In 2 Years" — that's what the headline read last semester for undergraduate student Anthony Ciolli. Anthony became the quickest graduate in the history of Cornell's ILR School after completing his degree in the summer of this year, finishing 19th in the class of 2003. We met with graduate Ciolli this past month to get an update on his current and future plans. After graduating from the ILR program early, he has decided to fill his time by obtaining two Master's Degrees while he awaits his acceptance into law school. He is currently finishing his Master of Liberal Arts with a concentration in government from Harvard, and a

Master of Arts in Sociology with applied social research from Queens College. He commutes to Harvard on Mondays, returns home, and then attends Queens where he's a block away from the campus. The remarkable element about Anthony is that he is 20 years old, and the first in his family to go to college.

He was not exposed to the field of human resources before high school, but his counselor suggested the ILR School. Other schools he considered before coming to Cornell were Colgate, Dartmouth, George Washington, NYU and Wesleyan. He imagines the HR knowledge and strategies helping him with legal related issues and he says, "Cornell

had strong academics and the ILR degree is number one in its field and a no-brainer."

He chose the ILR Bachelor's Degree as a stepping-stone to his career. "I had no idea that HR had so many different types of skills and broad array of different roles, performance levels - job offers, etc." This actuality intrigued him, the field being much more involved than he first thought. Of the different HR functions, he would like to learn more about Diversity and believes he will use this knowledge and understanding as a



Anthony Ciolli

Continued on Page Seven

CAHRS Fall Sponsor Meeting

Global Sourcing and Domestic Competitiveness: HR Issues and Responses

Record numbers attended the CAHRS Fall Meeting held on campus to learn about and discuss issues concerning the controversial topic of offshoring. The debate has escalated as more companies try to lower costs by outsourcing overseas. CAHRS Director, Patrick Wright, framed the topic by looking at the issues involved: "The decisions to offshore (financial, strategic, ethical/social and legal), where to offshore and how to implement an offshoring process require a clear delineation of the goals to be achieved, and an explicit discussion of the tradeoffs among competing goals."

CAHRS Advisory Board Chair Elect, Director of HR at Shell, John Hofmeister, presented a company perspective reminding the participants that in a climate of offshoring "we expect quality increase as well as lower cost, but it is only one of several options when exploring competitiveness."

Cornell Professors Vernon Briggs and Rose Batt gave their insight on offshoring through their research.

Briggs, author of "Mass Immigration and the National Interest" (2002) passionately spoke about the impact of new and upcoming immigration policies and legislation on jobs. Batt, Alice B. Cook Professor of Women and Work, shared her results from her Indian Call Center study. Batt found Indians invest more in education and training, provide less opportunity for discretion and problem solving with customers and use similar pay for performance for CSR's and have similar absenteeism, turnover, and other outcome measures. The results of case studies on the topic conducted and presented by the CAHRS Verizon Grad students Meenal Chaukar, Carlos Politi, and Dan Gruber can be found in their paper on the CAHRS web site.

Discovery Health, Sun Microsystems and IBM shared their offshoring models at the meeting. Coming all the way from South Africa, Patrick Furniss, GM Operations at Discovery Health, presented a different view, how a non-U.S. company set up business in the

U.S. Furniss explained that lower costs, an existing infrastructure, established advanced technology, and culture led to sending business processes back to South Africa. Rich Lang, Senior Director of HR Strategy, shared Sun's model used to make decisions for global engineering locations, and Garrett Walker, IBM Director Global Resource Project Officer, presented models used by IBM to make sound decisions regarding global resourcing.

Participants learned about the costs and benefits of offshoring. Wright as an academic and Hofmeister as a practitioner encouraged the HR leaders to proceed with caution by exploring long-term consequences and recognizing social responsibility. CAHRS invites our sponsors to continue the dialogue in Lausanne, Switzerland at our "HR & Sustainability" meeting May 24-25, 2004. [hr](#)

For more information on results of the "CAHRS Offshoring Study: Interviews with Sponsors," please request our full report from the CAHRS office.



Patrick
Furniss,
Discovery
Health



Pam Kimmert,
Lucent
Technologies



Garrett
Walker,
IBM



Michelle
Cabral,
Lincoln
Financial
Group



Rich Lang,
Sun
Microsystems



Bruce Carswell,
CAHRS



Daniel Marsili,
Colgate
Palmolive



John Hofmeister,
Shell
International



First Annual Symposium

SHRLOE Meeting

The Strategic Human Resources, Leadership, and Organizational Effectiveness group (SHRLOE) held their first annual symposium, "Leveraging Human Capital for Business Success" on November 14, 2003 directly following the CAHRS Fall 03 Sponsor Meeting at Cornell. Corporate executives and academics joined members of SHRLOE, consisting of graduate students from the Johnson School of Management and ILR School to discuss strategies to effectively establish and maintain a competitive advantage, and deliver business results through the people in the organization.

On the evening of November 13th, SHRLOE hosted a cocktail reception for the conference attendees. The Symposium kicked off the next day with a keynote address by David Russo, former VP of HR at the SAS Institute. The keynote was followed by a panel discussion regarding HR metrics in organizations that featured Johnson School Dean and GE Board Member Robert Swieringa, ILR Professor Gary

Fields, and Citigroup HR executive Greg Burns, and was moderated by CAHRS Director Pat Wright. A panel discussion on organizational change followed, which featured Craig DeWald from American Express, Erin OBrien from Bank of America and Emmett Seaborn from Towers Perrin, and was moderated by Johnson School Associate Dean Dick Shafer. The event concluded with interactive learning circles, and a wrap-up given by Daniel Gruber.

The Symposium was a great success for the SHRLOE organization, which is already planning a second one next fall. This success was largely dependent on SHRLOE's corporate sponsors who provided speakers and financial support for the event and the CAHRS leadership team. 

For more information about SHRLOE or the Symposium, please contact Dan Gruber via email: dag58@cornell.edu or visit <http://www.rso.cornell.edu/shrloe>.

If you are interested in supporting the next Symposium, please contact Renee Brown at rlb39@cornell.edu.

Anthony Ciolli Continued from Page Five

lawyer, especially in workplace issues.

Anthony never had the intention of finishing his degree so fast, and wasn't concerned with entering the workforce after graduation. As a result, he didn't do anything that most graduating students do — visit the ILR Office of Career Services, attend the CAHRS Executive Roundtables event, nor apply and interview for jobs. For the next three years, he is interested in exploring his work interests and getting first-hand experience in his career field while he culminates his law degree. Anthony has already applied to Berkeley, Boston College, Chicago, Columbia, Cornell, Duke, Georgetown, Harvard, Northwestern, NYU, Stanford, University of Michigan, UPenn, VA U,

and Yale. He is fluent in English and Polish, has had Spanish, Latin and Swahili courses, and he has traveled to Europe, Spain, France, Austria, Italy, Switzerland, Monaco, and the Czech Republic. He has no idea what type of company he would like to work for and will consider all opportunities. 

ILR Office of Career Services has resumes of our graduating students from Master's and Bachelor's Degree programs, available for your viewing. They are from students targeting human resources, labor relations, or government/policy positions, as well as students seeking summer and full-time positions in labor unions. If you would like to request a copy, phone 607-255-7467 or link <http://www.ilr.cornell.edu/careerservices/employers/resumeBooks.html>.

If you are interested in learning more about ILR graduate Anthony Ciolli, please contact Pamela Stepp at the CAHRS office, 607-255-9358 or pls8@cornell.edu.

HR Company Profile

The Gap Redefines Global HR

Gap Repositions HR to be a Key Strategic Driver of the Business

An international retailer with one of today's best-known set of brands, Gap Inc. operates more than 4,200 stores in the U.S., Canada, France, Germany, the U.K. and Japan. With each of its brands showing positive results, the \$14.5 billion company's turnaround is well underway.

Repositioning human resources to be a key strategic driver of the business is fundamental to Gap Inc.'s strategy as it celebrates its 35th anniversary in 2004, according to Eva Sage-Gavin, Executive Vice President, Human Resources.

A leading international specialty retailer offering clothing, accessories and personal care products for men, women, children and babies under the Gap, Banana Republic and Old Navy brand names. Gap's brands includes Gap, GapKids, babyGap, GapBody and Gap Outlet. "It takes more than 165,000 employees around the world to deliver the merchandise and shopping experience we provide our customers," says Sage-Gavin.

After CEO Paul Pressler joined The Gap in 2002, his goal was to stabilize the company following a recessionary sales dip in 2001 and set it back on track for growth and expansion. Sage-Gavin was brought on in early 2003 to develop and spearhead Gap's decision to use human resources in a new, strategic role in the company's drive for growth and profitability on a global basis.

HR is being asked to do different things than it has historically, according to Sage-Gavin. "One of our initial missions has been to develop a new purpose and values philosophy for the organization. This work helps to define why The Gap exists, what we want to accomplish and what actions we need to take to achieve our mission," she says. "HR has a key seat at the table with every business decision-maker as part of this corporate strategic effort. This work will be introduced to employees next year."

Developing talent throughout the company on a global basis is another crucial role for HR operations. Centralizing HR was one of Sage-Gavin's first steps to maximize the company's global HR potential. "Each of the 19 operating units had its own HR operation reporting to the top line manager and each ran the business independently," says Sage-Gavin.

Sage-Gavin oversees Gap Inc.'s human resources strategies worldwide, including staffing, organization development and training, compensation and benefits, employee relations and diversity.

A graduate of Cornell's Industrial and Labor Relations

School, Sage-Gavin reports to Pressler and is a member of the company's executive leadership team. Formerly senior VP of HR at Sun Microsystems, Sage-Gavin has also held senior human resources positions at PepsiCo, Xerox and Disney.

Leveraging the core competencies of the company creates a significant opportunity for knowledge transfer as well as worldwide leverage for programs and training. "We have new products coming into stores 16 times a year, and our employees' ability to change and adapt is critical," says Sage-Gavin. "If we want to establish a consistent global brand, our customer service and training capability needs to be the same at every store worldwide".

Having a core set of Gap Inc. programs and services will help employees around the world benefit from each other's best practices. "Retail excellence and in-store customer excellence through collaboration are two key strategies for achieving growth through human resources," according to Sage-Gavin. "By sharing best practices among stores in the U.S., Canada, Japan, the U.K., France and Germany, we collaborate across the globe."

Finally, a newly created HR structure also provides Gap talent worldwide with a vastly expanded array of career options and networking opportunities.

While much more is in store, the global organization is in place for a variety of programs and services targeted to global employees in five broad functional groupings:

Product development: At the company's product development offices in New York City, designers, product managers and graphic artists create the look and feel for each season's merchandise.

Sourcing and logistics: Along with our buying agents, this group draws up production schedules and places orders with approved third-party factories in the more than 50 countries where our products are made.

Marketing: Each Gap brand has its own marketing team headquartered in the San Francisco Bay area. The company's in-house marketing teams create everything from hang-tags and in-store posters to billboards and TV commercials.

Distribution: Third-party manufacturers ship merchandise to Gap distribution centers, which sort and redistribute it to stores strategically placed throughout the U.S., Canada, the U.K., and Japan.

Sales: Sales associates and store personnel are trained to answer customer questions about fabric, fit and fashion and to help them select merchandise. 

The Gap Inc., joined CAHRS in 2003; the 'Company Profile' series feature a Corporate HR view of new CAHRS sponsors.

SAVE THE DATE

CAHRS Spring Sponsor Meeting

May 24-25, 2004
Lausanne Switzerland
HR and Sustainability

In recent years, strategies for sustainable development have broadened from an exclusive focus on environmental issues to also include economic, political, and social concerns. Top organizations view these not as alternatives or tradeoffs to their economic goals, but as blended into an integrated approach for the long-term viability in the regions where they operate. HR leaders are taking up their unique roles in these areas and contributing to the thinking, planning, and implementing of sustainability strategies.

The importance and scope of these issues give CAHRS a unique opportunity for our meeting in Lausanne, Switzerland May 24-25, 2004. This meeting will highlight the role HR plays in bringing the intent of sustainability to the real operating world of employees. We will discuss issues related to the principles underlying sustainability, how these are manifested in organizational and regional policies, how HR processes and programs can be adapted for such requirements, and the like. These are big questions going through rapid evolution.

While Europe has been working on this for some time, and the U.S. is coming up to speed rapidly, we still have much to learn from one another. Fortunately, Lausanne offers a special setting for this kind of exchange given its beauty and proximity to Geneva. This area is the seat of major NGOs as well as the Center for Social Responsibility/Sustainable Development. It also is the headquarters for a number of leading global firms.

**A preliminary agenda, hotel logistics and an on-line registration form
will be available soon on the CAHRS Website
www.ilr.cornell.edu/cahrs**

followed by an

Executive Development Program

May 26-27, 2004
Lausanne, Switzerland
HR Leadership: The Next Paradigm

For the past two years, senior faculty members at Cornell's Center for Advanced Human Resource Studies (CAHRS)--recognized as the premier university-based program in strategic human resource management--have been working with corporate partners to identify the key drivers of the next paradigm in strategic HR. This concentrated program offers HR executives an opportunity to focus on the critical tools they need to impact the strategic direction of their firms. The goal of the program is to help HR professionals go beyond a focus on only business partnership to cultivate their skills as business leaders. The program is lead by internationally recognized Cornell faculty and begins with a set of practical experiences designed to help participants map their business models and understand their underlying value propositions that drive profitability. It takes them beyond concept to reinforce the real connections between a firm's core skills, organizational agility, HR systems, and bottom-line performance excellence. In addition to faculty interactions, participants will engage senior HR executives from firms where these ideas and practices are put to use.

The program is designed to meet the development needs of: experienced HR executives and managers who already hold, or who aspire to, leadership positions in their firms and have a desire to enhance their effectiveness in, or qualifications for, these roles; experienced line executives or managers who have recently moved, or are anticipating moving, into business leader roles in HR organizations; and experienced line managers who regularly partner with HR executives or managers and who wish to learn to do this more effectively.

Especially good results accrue when line and HR business partners attend together.

**For more information or to register call Mary Adie at (607) 255-6075,
or via email ilrexec@cornell.edu, or visit <http://www.ilr.cornell.edu/execed/>.**

In The News



Linda Donahue

Linda Donahue New Director ILR Extension Great Lakes Region - Linda Donahue has been appointed Director of the Great Lakes Region for the Cornell University School of Industrial and Labor Relations Division of Extension. In her new position she oversees the ILR School's labor-related training and education programs and faculty in the greater Western New York state area. Constituents her office serves include nonprofits, government agencies, trade and professional associations and community groups. Outreach is one of Cornell's founding principles as part of its land-grant mission. Last June ILR Extension's Buffalo and Rochester districts merged into a single district with two offices, one in Buffalo and one in Rochester, N.Y., and Donahue was appointed interim director before being named to the permanent position this fall. She was senior extension associate/director of labor programs for the district from October 2000 until June 2003. Before that, she was senior extension associate/director of labor and special programs with ILR Extension's Rochester district in 1997-2000 and extension associate/director of special programs in Rochester since 1991. "Linda Donahue has 12 years of broad professional experience with ILR extension in Western New York," said ILR Dean Edward Lawler. "Her knowledge of the region, her relationships with Cornell clients, and her deep commitment to the School's mission and values make her the ideal choice for this new position." She is a member of the Rochester Labor Council's Education and Community Services Committees, as well as, the Employee Assistance Professionals Association. Formerly, she was the Director of Labor and Special Programs for the ILR School, providing courses and training programs to union members and leaders, working women, and employee assistance professionals in the Rochester/Buffalo area. She is also an Associate with the School's R. Brinkley Smithers Institute on Alcohol-Related Workplace Studies. Linda is a member of the Rochester Labor Council's Education and Community Services Committees and chairs the Monroe County Legislature's Advisory Committee on Women's Issues. She is also on the Board of the Farm Worker Women's Institute and the United Way Services Corporation, and has published scholarly research in the *Industrial and Labor Relations Review*. A graduate of St. John Fisher College with a major in psychology, she is completing a graduate degree in social policy studies at Empire State College.



Michael Lounsbury

Lounsbury Named J. Thomas Clark Professor of Entrepreneurship & Personal Enterprise - Dr. Michael Lounsbury, Department of Organizational Behavior, is a sociologist with interests in the relationship between organizational and social change, entrepreneurship, and the rise of new industries and practices. Lounsbury has exercised the Professorship to launch an ILR undergraduate course and a graduate course at the Johnson Graduate School of Management in Social Entrepreneurship that focuses on how non-profit and for-profit entities engaged in entrepreneurial activities create value in the social sector. In addition, he has launched a new research project on the origins of social entrepreneurship as a field of practice. The professorship is awarded to help support faculty to develop new courses or engage in research in the areas of new business creation, innovation and development. This is a three-year award that is very competitive. He is an active member of the American Sociological Association, the Academy of Management, the European Group on Organizations, INFORMS and the Society for the Advancement of Socio-Economics. He is the series editor for *Research in the Sociology of Organizations*, published by Elsevier, serves on a number of top scholarly journal editorial boards, and has published in a variety of top sociology and management journals. Professor Lounsbury's work has been published in journals such as: *Administrative Science Quarterly*, *Academy of Management Journal*, *Academy of Management Review*, and the *Strategic Management Journal*. Professor Lounsbury received a B.A. in economics from Middlebury College, an MBA from the Kellogg Graduate School of Management at Northwestern University, and a Ph.D. in sociology and organization behavior from Northwestern. Prior to joining the Cornell faculty in 1998, he was an instructor at the Kellogg Graduate School of Management.



Lisa Nishii

New Professor Lisa Nishii Joins ILR - In July of 2003 Dr. Nishii came on board as an assistant professor. She received her Ph.D. and M.A. in Industrial and Organizational Psychology from the University of Maryland and her B.A. in Economics from Wellesley College. As a doctoral student she won the Milton Dean Havron Social Sciences Award for Outstanding Achievements. Professor Nishii's research focuses on three main areas: cross-cultural HR and organizational behavior, diversity in the workplace, and Strategic Human Resource Management (SHRM). Her research on culture focuses on the cross-cultural applicability of HR and OB theories, in particular, in the areas of services management, conflict and negotiation, and leadership. Much of her research focuses on cultural differences involving Japan, where she was born and has spent much of her life. In her SHRM research, she takes a psychological approach to understanding how HR practices are linked to organizational effectiveness through their influence on employee attitudes and behaviors. Professor Nishii has presented her research at numerous conferences for the Society of Industrial and Organizational Psychology, Academy of Management, International Association for Conflict Management, and International Association of Cross-cultural Psychology. Her research has been published in the *Journal of Applied Psychology* and *Organizational Dynamics*, and she has co-authored several chapters, most recently on the organizational-level antecedents of discrimination in the workplace, in "Psychological and organizational bases of discrimination at work," and on the influence of individualism-collectivism on leadership practices in 62 countries, in "Culture, Leadership, and Organizations: The GLOBE Study of 62 Cultures."



Michael Gold

Professor Gold Secretary-Elect - Associate Professor Michael Gold has been elected the secretary-elect of the New York State Bar Association Section on Labor and Employment Law. At the meeting on September 12. Dr. Gold delivered the annual review of recent developments in the field, covering cases decided by the U.S. Supreme Court and the N.Y. Court of Appeals and the pending changes in the Federal Rules of Civil Procedure. He received a bachelor of arts degree from the University of California at Berkeley, and completed his education with a law degree from Stanford in 1967. During 1968-1970, Michael was a Peace Corps Volunteer in Liberia, teaching Civil Procedure and Evidence in the Law School of the University of Liberia. During 1972-1975, he practiced law with Schwartz, Steinsapir & Dohrmann, a firm representing labor unions and individuals in Los Angeles. Most of his time was devoted to advocacy in labor arbitrations; he also litigated employment discrimination and union democracy cases. After a year as a part-time instructor at the University of San Fernando Valley College of Law, Professor Gold accepted an appointment to the full-time faculty of this independent law school in 1975. He taught remedies, civil procedure, and employment discrimination law. He also served as an arbitrator in a dispute between an employer and a labor union over the discharge of an employee. He has served on the Bars of the United States Supreme Court, State of New York and State of California. At Cornell Gold teaches courses on labor and employment discrimination law, and on ethics. His research has been in the field of employment discrimination law. Most recently, he has published articles arguing that disparate treatment and disparate impact are not separate legal claims, but separate methods of proving the same claim, and that disparate impact should be recognized as a theory under the Age Discrimination in Employment Act.



Chris Crooker

Chris Crooker New Alumni Affairs & Development Executive Director - The External Relations Office has been renamed Alumni Affairs and Development, and Christopher Crooker is the first Executive Director under the new office. For over two years, he was a member of the team that fund raises for ILR. He also stepped in for about six months in the interim between when Mike O'Hara left and Chris Haley came on, and worked closely with him during this period. Chris received a B. A. in History from the College of Arts and Sciences in 1988. Following nearly seven years in the U.S. Navy, where he held several management positions, and a brief stint with a security and loss prevention firm in Maine, he returned to Cornell in 1997 to lead the Department of Athletics' annual fund raising efforts. Since the fall of 1998, he has worked in the Division of Alumni Affairs and Development's Office of Special Gifts. There he has worked on several fund raising projects including the Scholarship Challenge Campaign and the Campaign for Athletics.

CAHRS EVENTS CALENDAR

2003 - 2004

CAHRS Fall Sponsor Meeting 2003 November 12-14, 2003 Ithaca, NY
 CAHRS Spring Sponsor Meeting 2004 May 24-25, 2004 Lausanne, Switzerland
 HR Leadership: The Next Paradigm May 26-27, 2004 Lausanne, Switzerland
 CAHRS Fall Sponsor Meeting 2004 November 10-11, 2004 Ithaca, NY

Other ILR Events

Managing for Impact November 3-4, 2003 Washington, DC
 HR Metrics and Firm Performance
 HR Leadership: The Next Paradigm February 19-20, 2004 Boca Raton, FL
 Managing for Impact April 15-16, 2004 New York, NY
 HR Metrics and Firm Performance
 HR Execution: Delivering World Class HR Solutions May 2-7, 2004 Ithaca, NY
 Golbal Human Resource Executive June 13-16, 2004 New York, NY
 Development Program
 HR Strategy: September 26 - October 1, 2004 Ithaca, NY
 Creating Competitive Advantage through People

For more information, contact Jo Hagin at 607/255-9358 or email: jap7@cornell.edu ,
 or visit our website at: <http://www.ilr.cornell.edu/cahrs/Calendar.html>



Is it Worth it to Win the Talent War?

Continued from Page One

- value of the retained workforce and of the replacement employees.

By estimating movement costs, service costs and service value, the utility model provides a much more accurate projection of employee turnover and hires over time. Although it involves a significant amount of calculation, the model is relatively simple to replicate and can easily be customized to fit a specific company's profile. 

For more information regarding this research please contact Michael Sturman via email: mcs5@cornell.edu, or Tel: (607) 255-5383. This article references research from the CAHRS Working Paper #03-12, which can be found on our web site: <http://www.ilr.cornell.edu/cahrs/WPapers.html> .



hrSPECTRUM is published by the
 Center for Advanced Human Resource Studies,
 School of Industrial and Labor Relations,
 Cornell University,
 Ithaca, New York 14853-3901
 Phone: 607-255-9358
 Fax: 607-255-4953
 Dr. Patrick Wright, Director
 Dr. Pamela Stepp, Managing Director