

hr SPECTRUM

Center for Advanced Human Resource Studies

Research Highlight

Managing Employees For Workforce Alignment

HR performance boosts small business performance, according to new Cornell research on HR management practices in small businesses. “The HR practices that a small company deploys can dramatically affect its product and service quality, customer satisfaction and financial performance,” says Christopher Collins, professor in Cornell’s School of Industrial and Labor Relations. “Small companies using high performance HR practices generate sales and profits that are 15 to 25 percent higher than small companies that don’t practice high performance HR.”

The Cornell University/Gevity study of human resource management practices, which examined 312 small businesses with less than 200 employees, suggests that workforce alignment is pivotal to corporate success.

“A company with an aligned workforce has the right types of people in the right places at the right times doing right things right,” says Collins. “Employees with the knowledge and skills to help their company achieve goals are the right type of people. When employees are in the right places at the right time, companies benefit from their

knowledge and skills. And when employees act to help their companies succeed, people are doing the right things right.”

Workforce alignment drives performance because “aligned companies deliver high-quality products, services, or solutions,” says Collins. “They develop more new products, services or solutions. They have higher growth, profits and market share, and their customers are more satisfied.”

The research suggests several best practices small companies can deploy to build the three aspects of workforce alignment. To attract the right kind of people, they should:

1. Hire the right types of people in the first place. Companies that match candidates’ knowledge and skills to the requirements of specific job openings enable new hires to perform from the start, without extensive training.

2. Hire for culture fit. Companies attain person-organization fit by focusing on a candidate’s match with its culture and values. They recruit – and keep – individuals who can fit within the organization and work well with other existing employees.

3. Stress person-future fit. Successful companies concentrate on a candidate’s potential long-term

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contribution. Often, they leave positions open until they find the best and brightest new employees.

Strategy 3, stressing person-future fit, leads most successfully to workforce alignment, according to Collins. Small businesses following the person-future fit strategy were nearly 25 percent more likely to have the right people in place over time, probably because the employees that are attracted are able to grow and adapt as the company’s environment changes.

To ensure its people are in the *right place at the right time*, small companies can:

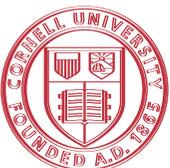
1. Establish formal processes and procedures. Clarify employee roles and responsibilities by providing job duties and descriptions as well as regular feedback through a performance appraisal process.

2. Monitor employees directly. Closely supervise day-to-day employee activities and control the pace and schedule at which they complete their work.

3. Rely on professional standards.

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Cornell University

Up Close with ...

Kurt Fischer of Corning, Inc.

When most people think Corning, they remember Corning Ware cookware and mom's green bean casserole. However, there is much more to this diversified technology company than nostalgic dishes. Corning has been enriching lives through research and technological innovation for over 150 years. Its contributions include the glass for Edison's light bulb and Active Matrix Liquid Crystal Displays and fiber for telecommunications. You likely interact with Corning products daily, even if you never set foot in a kitchen.

At the helm of HR at Corning is Senior Vice President, Kurt Fischer. He began his career there in 1976 and has served in a number of line and staff human resources roles and was plant personnel manager in two states. He assumed his current position of Senior Vice President of Human Resources this year.

Kurt's wealth of experience throughout Corning's various businesses has uniquely positioned him to lead the HR function through significant change. In 2001, at the height of the telecommunications boom, during the critical hiring and mergers and acquisitions phase, HR established four transformation objectives. Those four objectives provided ideal guidance for a function that would soon face significant transition.

"Halfway through 2002, our revenues dropped over 50% and we started looking for ways to reduce costs," Kurt recalls. "Our decentralized HR function represented 2.4% of revenue." Corning then began to centralize its HR function to lower costs, but it didn't lose sight of those previously set goals.

"Those four transformation objectives became a key part of the story," Kurt says. They were, and continue to



Kurt Fischer

be: focus on performance, results and measurements; establish a global mindset; develop scalable service delivery infrastructure and strengthen linkage with the business.

"We have driven our costs down to 1.4% of revenue and our goal is 1.1%. That is directly tied to the work we have done on performance, results and measurement," says Kurt.

The globalization of Corning's business has been significant. Today almost 70% of its employees are outside of the U.S. "Our business is really strong in Asia and we have developed centers of excellence in Japan, Taiwan and China to serve those markets."

To meet its need for scalable service delivery, HR has focused on information technology. "In 2002, we had over 11 different IT systems in HR. We selected PeopleSoft and by end of year, will have every location using it."

Kurt believes that by far, HR's best work has been about linkage to the business. "We connect business strategy to human capital needs utilizing a planning process. General managers of every business unit rely on the planning process to help them know what to do from an HR perspective, then HR uses that information to set its priorities." The next area of focus in this area is development planning. "We'll work to take away service delivery tasks from field HR so it can focus on talent development."

It's a full plate, or rather a chock full Corning Ware casserole. But with a 150 year heritage of innovation, engaged senior leadership and a committed and nimble HR team, Corning is well positioned to meet its continued challenges. **hr**

Corning, Inc. joined CAHRS in 1987, the 'UP Close With ...' profiles feature a Corporate HR view of new CAHRS sponsors.

Fall 2004 - Spring 2005

Executive Guest Class Speakers

CAHRS continues to invite human resources executives to the ILR School to participate in our classes. The ILR School was pleased to have CAHRS Sponsor Executive speakers and projects during the Fall of 2004 and Spring of 2005.

Participating company HR executives were:

Fall 2004 Executive Speakers

- Aetna *Raymond Arroyo & Jim Gould*
- Bausch & Lomb *David Nachbar*
- Bayer *Sam Bidwell*
- Capital One *Matt Schuyler*
- Citicorp *Kathy Radatz*
- First Data *Mike D'Ambrose*
- Gap *Eva Sage-Gavin*
- GE *Brad Greene & Mary Lee Sharkey*
- IBM *Tom Fleming, Randy MacDonald & Bill Matson*
- Merck *Marcia Avedon*
- Shell *Bill Matson*
- Starbucks *Dave Pace*
- Sun Microsystems *Ron Cardenas*
- Terex *Kevin Barr*

Course Projects

- Storage Tek
- Sun Microsystems

Spring 2005 Executive Speakers

- American Express *Sheri Frumer* (formerly with)
- Capital One *Mike McDermott & Andy Suh*
- Corning *Steve Capper*
- GE *Joe Hanlon*
- General Mills *Sandy Ohlsonn & Kevin Wilde*
- IBM *Rich Calo & Mike Markovits*
- Lucent *Doreen Petty*
- Merck *Dan Guaglianone*
- Northrop Grumman *Jeff Shuman*
- Proctor & Gamble *Dennis Schuler*
- Shell *Teri Mandemaker* (via videoconference)
- StorageTek *Annette Woodham*
- SYSCO *Ken Carrig*
- Texas Instruments *David Reed*
- Time *Peter Vincent*
- Unilever *Rhodora Palomar-Fresnedi*
- Xerox *Bill Strusz*
- YUM *Dan Adams*

Course Projects

- CapitalOne
- Cornell *Johnson School*
- Corning
- General Electric
- IBM
- Lucent
- Merck
- Monsanto

- Northrup-Grumman
- Shell
- Sony
- StorageTek
- Sun Microsystems
- Weyerhaeuser

Each semester, 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. We will be working with the ILR faculty to gather a list of topics where guest lecturers and projects will be needed. 

If you would like to participate in our upcoming HR courses as a guest lecturer or project contributor during the fall 2005 semester, please contact Dr. Pamela Stepp at 607-254-4829 or pls8@cornell.edu.



Dennis Schuler, Proctor & Gamble



Sandy Ohlsonn, General Mills



Richard Calo, IBM



Dan Adams, YUM



David Reed, Texas Instruments

In The News



Dean Harry Katz

New Dean of Industrial and Labor Relations Professor Harry Katz - Harry Charles Katz, the Jack Sheinkman Professor of Collective Bargaining and Director of the Institute of Collective Bargaining at Cornell University's School of Industrial and Labor Relations (ILR), has been named Dean of the school, former Cornell President Jeffrey S. Lehman has announced. Katz's five-year term as Dean began July 1. "Harry Katz has long been recognized as a leading light of the School of Industrial and Labor Relations. A distinguished scholar who

appreciates the special role the school plays in the larger society, Dean Katz truly understands the soul of ILR," said Lehman. "Professor Katz is a very distinguished scholar, devoted member of the ILR faculty and a generous university citizen. His leadership will be critical to enabling the school and the university to meet the challenges ahead," added Provost Bidy Martin. "I am honored and look forward to keeping ILR at the forefront of the changes occurring at the workplace due to



Dean Harry Katz, with students in ILR

globalization and other pressures," said Katz. Katz succeeds Edward J. Lawler, the ILR dean since 1997, who stepped down June 30 of this year. Dean Katz will be the chief academic and administrative officer of the ILR School, which has approximately 50 resident faculty members and more than 1,000 students. In addition, more than 50 extension faculty members annually serve more than 30,000 workers, managers, union officials and government and labor relations professionals throughout the state of New York and beyond. Katz, whose major fields of interest are industrial relations and labor economics, joined Cornell in 1985 as an associate professor in the ILR School and in 1989 was named director of Cornell's Institute of Collective Bargaining. Katz had been a faculty member at the Massachusetts Institute of Technology from 1977 to 1985. He also was Director of the National Telecommunications Research and Policy Consortium from 1993 to 1996. He earned his B.A. degree in 1973 and his Ph.D. in 1977, both in economics from the University of California-Berkeley. He has written, co-written or co-edited more than 14 books and numerous articles in his field, and is the associate editor of *Industrial and Labor Relations Review* and a member of the editorial board of *Revista Latinoamericana de Estudios del Trabajo*.

In The News

Susanne Bruyere Accepts ILR Associate Dean of Outreach Position - In that capacity, Bruyere will provide strategic guidance to the School's Extension Division, marketing and communication efforts, and other outreach activities. Bruyere has done a marvelous job building a dynamic program through the Employment and Disability Institute (EDI), which she founded. Bruyere will continue as Director of EDI and will split her time between Associate Dean and EDI Director responsibilities. This will enable her to continue in her role as a principal investigator on a number of federal research grants on employment and disability policy and employer disability nondiscrimination. Dr. Bruyere holds a doctoral degree in Rehabilitation Counseling Psychology from the University of Wisconsin-Madison, and Masters degrees in: Rehabilitation Counseling, University of Southern California; Public Administration, Seattle University; and Adult Education, Seattle University. She is a Fellow in the American Psychological Association, and Past President of the Division (22) of Rehabilitation Psychology of the American Psychological Association (APA), the National Council on Rehabilitation Education (NCRE), and the American Rehabilitation Counseling Association (ARCA). Dr. Bruyere currently serves as a Division of Rehabilitation Psychology Representative to the American Psychological Association Council of Representatives, the current Chair of GLADNET (the Global Applied Disability Research and Information Network on Employment and Training), and on the CARF (an international rehabilitation facility accreditation organization) Board of Trustees.



Susanne Bruyere

John P. Hausknecht

New HR Professor

John Hausknecht joined Cornell's staff of HR Professors this past summer, and will be teaching ILR's HR management and staffing courses this year. His primary research interests are in the areas of staffing and selection, organizational justice, and employee retention. Professor Hausknecht earned a Ph.D. in Industrial and Organizational Psychology from Penn State University in 2003, with a minor in Management and Organization.



John P. Hausknecht

Prior to his arrival at Cornell, Professor Hausknecht was an Assistant Professor at DePaul University in Chicago, where he taught a number of courses at the doctoral, masters and undergraduate levels. His previous teaching experience includes courses on work attitudes, leadership, measurement, research methods, personnel selection, and introductory industrial/organizational psychology. Dr. Hausknecht also served on a number of thesis and dissertation committees within the department.

Professor Hausknecht's research has been published in the *Journal of Applied Psychology and Personnel Psychology*. In 2004, he received the S. Rains Wallace award for the

best dissertation in the field of industrial and organizational psychology. His thesis was entitled "Narrative review, meta-analysis, and qualitative field study of applicant reactions to selection procedures." Dr. Hausknecht has also presented numerous papers at the annual meetings of the Academy of Management and Society for Industrial and Organizational Psychology.

Prior to academia, John worked for a San Francisco Bay area consulting firm in the areas of change management, employee selection, and organizational development. He also taught several courses on business research methods at California State University while there. Professor Hausknecht is a member of the Academy of Management, the American Psychological Association, and the Society for Industrial and Organizational Psychology.

John and his wife Suzanne moved from Chicago to Ithaca this summer. They look forward to the mild winters of upstate New York. 

Managing Employees for Workforce Alignment

Continued from Page One

Grant employees the discretion to monitor their own performance and trust them to get the job done right the first time without direct oversight.

4. Emphasize culture and peer pressure. Expect employees to track each other's work and provide feedback to one another about job performance.

Formal processes and procedures and professional standards build workforce alignment most successfully, according to Collins. Companies following either of these strategies were approximately 30 percent more likely to have enough employees with the right skills to carry out the current workload of the company.

To motivate their people to *do the*

right things right. Small companies can:

1. Create a family-like community. Foster responsibility to other employees and the company by sponsoring social events and outside activities, to enable people to know each other. Share company information with employees at regular company-wide meetings.

2. Provide interesting and rewarding jobs. Offer employees challenging work opportunities and chances to learn and grow.

3. Compensate fairly. Motivate employees by paying higher wages than competitors. Use incentives to attract, reward and retain people.

Creating a family-like community is

most effective to workforce alignment, according to Collins. "Compared to the other strategies, companies that focus on building family-like communities are more than 30 percent more likely to have employees who were always willing to do what is in the best interest of the company," he says. "The research suggests that companies following this strategy required fewer supervisors because their employees tended to think and act like the organization's owners." 

For more information regarding this research please contact Dr. Chris Collins via email: cjc53@cornell.edu, or Tel: (607)255-8859. This article references research from the CAHRS Working Paper #05-05, which can be found on our web site: www.ilr.cornell.edu/cahrs/paper.html

SAVE THE DATES

Executive Briefing Profiling Tyco International**October 24, 2005 • Doral Conference Center, Princeton, NJ**

In early 2003, Tyco International had no company-wide Talent Management processes; no strategy for HR Services Delivery; ineffective Diversity initiatives and needed to completely overhaul and redesign its Incentive Compensation structure virtually overnight. The meeting sessions will address the unique challenges faced in building most aspects of a “start-up” enterprise-wide HR function for Tyco International, a 250,000 person corporation.

In building many key HR process elements nearly “from scratch,” the HR function needed to confront the challenges of deciding what aspects to preserve and which to change. The session will focus on how companies can learn from, select and adopt best practices, while remaining equally clear and intentional about what conditions and outcomes the enterprise must not create.

This briefing will be hosted by Laurie Siegel, Senior Vice President, Human Resources and CEO Edward Breen as the keynote speaker.

Information and on-line registration form can be found on the CAHRS web site at:

www.ilr.cornell.edu/cahrs/TycoBriefing.html

Please check the site for continued updates.

Inquiries, please contact: Jo Hagin, Program Coordinator

Cornell University, CAHRS 187 Ives Hall Ithaca, NY 14853-3901 USA

Phone: 607-255-9358; Fax: 607-255-4953; Email: jap7@cornell.edu

CAHRS Fall Sponsor Meeting**“HR Challenges For Achieving Rapid, Profitable, and Sustainable Organizational Growth!”**

November 9-10, 2005 • Statler Hotel, Ithaca, NY

Meeting Information

With recent global economic expansion, many corporations, some of which experienced reengineering initiatives and downsizing in the 1980’s and 1990’s, are now experiencing rapid organizational growth. However, unlike in the past when the focus was on top-line growth with markets rewarding such firms with unusually high valuations, this time the emphasis is on achieving a more sustainable and profitable growth.

In the quest for a more enduring growth trajectory, organizations are facing certain critical human resource challenges. Apart from the most visible and salient issue of talent acquisition and retention, organizations are confronted with increasing complexity in the entire continuum of people processes.

Be sure to check our web site for updates.

An On-Line Registration Form is available at: www.ilr.cornell.edu/cahrs/fall2005registrationform.html

Hotel Information

We have set up a block of rooms at the Statler Hotel for you to make reservations under “ILR/Spring Sponsors Program ‘05.” To reserve a room at the Statler Hotel in Ithaca, NY, please call 1-800-541-2501 and reserve a room under “ILR/Fall Sponsors Program ‘05.’

Very Important

PLEASE NOTE that the block of rooms will be released to the general public at the end of the work day, Wednesday, October 12th, so please make sure you have your reservations made well in advance.

Inquiries, please contact: Jo Hagin, Program Coordinator

Cornell University, CAHRS • 187 Ives Hall • Ithaca, NY 14853-3901 USA

Phone: 607-255-2790; Fax: 607-255-4953; Email: jap7@cornell.edu

CAHRS EVENTS CALENDAR

2005 - 2006

ILR Orientation and CAHRS Executive Roundtables	August 23, 2005	Ithaca, NY
CAHRS Executive Briefing Profiling Tyco	October 24, 2005	Princeton, NJ
CAHRS Fall Sponsor Meeting	November 9 - 10, 2005	Ithaca, NY
SHRLOE Symposium	November 11, 2005	Ithaca, NY
CAHRS Spring Sponsor Meeting	May 10 - 11, 2006	Ithaca, NY
ILR Orientation and CAHRS Executive Roundtables	August 22, 2006	Ithaca, NY
CAHRS Fall Sponsor Meeting	November 1 - 2, 2006	Ithaca, NY

Other ILR Events

American Express Custom Program:

Global HR

Global HR	September 15 - 16, 2005	New York, NY
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HR Strategy: Creating Competitive Advantage

HR Strategy: Creating Competitive Advantage	September 25 - 30, 2005	Ithaca, NY
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American Express Custom Program: Leading Globally

American Express Custom Program: Leading Globally	October 4 - 5, 2005	Fontainebleau, France
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Talent Management

Talent Management	October 27 - 28, 2005	New York, NY
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Managing for Impact: HR Metrics and Firm Performance

Managing for Impact: HR Metrics and Firm Performance	November 3 - 4, 2005	Arlington, VA
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American Express Custom Programs:

HR Execution

HR Execution	November 30 - December 1, 2005	New York, NY
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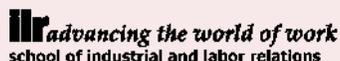
HR & Bottom Line

HR & Bottom Line	January 19 - 20, 2006	New York, NY
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HR Transformation: Partnering to Achieve

HR Transformation: Partnering to Achieve	April 30 - May 5, 2006	Ithaca, NY
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For more information, contact Jo Hagin at 607/255-9358 or email: jap7@cornell.edu, or visit our website at: www.ilr.cornell.edu/cahrs/Calendar.html



hrSPECTRUM is published by the Center for Advanced Human Resource Studies,

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