



2005 has been quite a year for our firm. We've added staff, developed new relationships in our new market—

Washington, D.C., and moved into our new office location in Atlanta.

Growing a business is fun, and challenging. It requires good strategic planning and the commitment to implement and execute as planned. We've just completed our Strategic Plan for 2006. Have you?

Business planning is critical to the success of any organization. Leaders need to see and articulate the firm's vision in order to motivate staff. Each employee needs an understanding of how their specific contributions support the business goals, as well as how they can assist with moving the firm closer to achieving its milestones.

Your strategic plan should address not only the required strategies for revenues, marketing and overhead, but also the critical strategies for the "people" side of the business. These include goals associated with functions such as structure, work processes, staffing, compensation, culture, benefits, and training. Throughout the plan be sure to create a clear link between strategies, operations and human resource actions.

We continue to appreciate your support and look forward to working with you in 2006!

Happy Holidays.

Debbie King

Aligning Culture, Strategy and Profitability

Organizational culture is often the most influential and yet, most often overlooked aspects of the bottom line. An organization's culture has the inherent capacity to encourage employee productivity, streamline work processes, and increase revenues - or promote just the opposite, illustrated by wasted efforts, inefficiencies and overruns.

Organizational culture is often viewed as the personality of the organization. It's comprised of the assumptions, values, and customs of employees, as well as the behaviors they demonstrate at work. A firm's culture can be difficult to define because it is comprised of many different characteristics and concepts, yet most likely you know it when you see it—because "that's the way it's done here". For example, the culture of a small software company where day-to-day operations are somewhat casual, with employees wearing many hats, may look, perform and be described differently than that of a large private university, which more than likely, is more regimented and formal. You can gain an understanding of your culture by looking at things such as policies and procedures, dress guidelines, decor, mission statement, performance and language that's rewarded and that which is unacceptable.

An organization's culture has the inherent capacity to encourage employee productivity, streamline work processes, and increase revenues - or promote just the opposite, illustrated by wasted efforts, inefficiencies and overruns.



But how do you develop a culture that capitalizes on performance, profits and business goals? The answer begins with determining the culture that best reflects the firm's values and goals. For example, your company may have a strategic initiative to penetrate a new market area. If this is the goal, most likely you'd want to nurture a culture encouraging employees to share creative marketing and sales ideas and reward performance that result in new customers. Often we experience companies establishing goals and strategies that are not aligned and supported by the organization's culture. This disconnect plays out in unrealized potential, conflict and misalignment. Partnering with an outside consultant to assist with culture work is a common practice, as they provide objectivity that internal staff may be too close to the organization to provide.

Developing a Successful Recruitment Strategy

A well-designed recruiting strategy will help ensure that the right talent is hired for the right positions, at the right time, to perform the right tasks. Like all business strategies, recruitment should be aligned with the organization's mission, vision, values and goals, which ultimately will be linked to bottom line performance.

Planning an effective strategy begins with an analysis of current strategy. This evaluation provides the framework for identifying gaps, and documenting the way things are working, which may not necessarily be the way they're supposed to work. This provides you with a starting point for strengthening and improving related processes. Your analysis should also include hiring metrics such as time-to-hire, cost-per-hire, and EEO goals and practices. Consider including these elements as you create a recruitment strategy:

- **Conduct an assessment** of current and future personnel and system needs
- **Create and continually update** job descriptions to articulate clear and up-to-date position responsibilities
- **Use job postings (internal/external)** – so employees can compete for promotions and transfers
- **Ensure adequate HR recruiting staff**, either internal or outsourced professionals
- **Establish an applicant tracking** system to track Affirmative Action and diversity data, and the status of the hire
- **Audit the interviewing and selection** activities to ensure they are non-discriminatory and properly documented
- **Review and modify** programs targeted at retention — turnover is expensive
- **Continually evaluate your recruiting strategies** to ensure you're in step with advances in technologies and candidate preferences

As we know, retaining quality talent is also an important aspect of the recruitment process. Important components of retention should also be evaluated including the process for identifying position minimum requirements. This helps to eliminate a "replacement" mentality and provides a more robust evaluation of current and future needs, instead of assuming prior eligibility requirements remain constant.



Targeting a "fit" for both the organization and the candidate aids in reducing turnover. Implementing programs that support communications and feedback, fair and equitable treatment, pay-for-performance compensation, training opportunities, rewards and recognition, new technologies and a positive work environment all aid in retaining the qualified staff you have worked so hard to find.

While it's true that recruiting is no magic wand, with careful thought, analysis and planning, an organization can develop and implement a strategy that produces results and positively impacts financial and operational performance. EMI is available to assist with Human Capital Planning, which strategic recruitment is one component. In addition to strategic planning our expertise includes workforce planning, assessments, sourcing and training and development initiatives.

Aligning Culture *(continued from page 1)*

How well do you think your organization's culture aligns with your goals? Can you define your culture and properly integrate practices to support your business strategies, revenue goals and employee productivity? Here are 4 key questions to consider as you assess the alignment of your business culture and performance:

1. What behaviors exhibited by your employees will help you reach your goals?
2. Are business practices and behaviors linked to profitability? What work and behaviors gets rewarded?
3. Are leaders continually monitoring and defining the culture?
4. Do leaders focus on continuity between acceptable behavior and strategic initiatives, mission, and values?

Creating and fostering a clear and consistent organizational culture will aid an organization in realizing strategic initiatives and financial goals, while simultaneously building a firm that is attractive to candidates and employees alike. EMI has experience consulting on culture assessment and alignment of culture with business practices and strategic goals. As appropriate, consider our external expertise to supplement your internal staff.

I'm Glad You Asked

question: What is an HSA?

answer: Health savings accounts (HSAs) are a relatively new health care idea, enacted by Congress in 2004. Basically, an HSA is a 401(k) plan for healthcare. It allows participants to set aside pre-tax dollars for future medical, or long-term care premium expenses. The account can be funded by employers and/or employees. An October, 2005 CNN Money report estimated that healthcare premiums were expected to climb 8% in 2006. HSA's provide an option for employers, especially small businesses, to deal with this increasing cost. Surveys indicate that employers are increasingly offering them, often replacing HMO and PPO offerings.

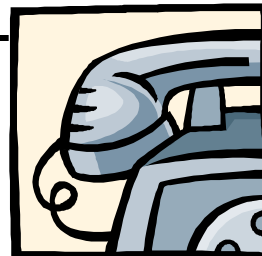
HSA's are tax-free accounts tied to an insurance policy with a high deductible of \$1,250 for an individual and \$2,500 for a family. After the deductible is reached, policy holders receive comprehensive coverage. To ease the burden of those out-of-pocket costs, participants can contribute, up to \$2,650 for an individual and \$5,250 for a family. Withdrawals are tax-free, as long as used for medical purposes. They can also roll over from year to year, and either earn interest or be invested in participating mutual funds. An additional benefit is employees do not lose the accumulated funds when changing jobs, the HSA travels with them.

If your firm is considering implementing an HSA plan in conjunction with your current benefits strategy, here are a few points to consider:

1. Do your research, especially state law regulations
2. Secure support from senior management — critical to the success and adoption of a new plan
3. Partner with an HSA account professional to understand the administrative processes
4. Explore the impact an HSA will have on current benefit plans
5. Prepare financial scenarios on contribution options
6. Consider the importance of implementing change management strategies to ensure employee buy-in

Curious about an HR issue?

Call, fax or e-mail us and we'll address your concern in our next—I'm Glad You Asked



We've Moved!!

Our new office is located at:

***4994 Lower Roswell Road
Parkaire Commons
Suite 32
Marietta, GA 30068.734***

***770.587.9032 v
770.587.9806 f
www.evolutionmgt.com***

Stop by when you're in the neighborhood. We're looking forward to serving you in the New Year!



The New Year will bring opportunities to refresh.

Don't miss them.

You'll accomplish more, feel better,



and applaud yourself!

Happy Holidays

EMI ENTERS THE FEDERAL GOVERNMENT CONSULTING ARENA

GSA Contract Holder

EMI was recently awarded a GSA Contract, (GS10F0459P), for \$1M over a 5 year period. We're pleased to be on the MOBIS (Mission Oriented Business Integrated Services) Schedule, which allows us to market and consult with federal government agencies on a full range of management and consulting services aimed at improving performance and abilities to achieve mission goals. Achieving the MOBIS award ensures contracting officers that we have the necessary expertise to facilitate federal agency responses to the continuous stream of new mandates and evolutionary influences including the President's Management Agenda; Government Performance and Results Act; Federal Activities Inventory Reform Act; and government reinvention initiatives, such as benchmarking and steamlining.

As a woman-owned small business (WOSB) we're excited about this opportunity to expand into a new market. To support these efforts, we have established a project office in Alexandria, VA and have entered into several teaming agreements to strengthen the capabilities we offer our clients. We look forward to sharing our private sector experiences with the public arena, and our learnings from the public arena with our private sector clients.

AS YOUR ENTERPRISE IS EVOLVING ALLOW US TO HELP NAVIGATE THE TURNS

Evolution Management offers a full-range of management consulting services focused on transforming human behaviors through cultural evolution. Our services are provided by experienced professionals on a "strategic" or "project" basis. When you're faced with business changes or the demands to improve organizational effectiveness, contact us. Specific services relate to:

- **MANAGEMENT/HR/HUMAN CAPITAL CONSULTING**
- **OUTPLACEMENT**
- **TRAINING**
- **ORGANIZATIONAL DEVELOPMENT**

We are most appreciative of your business, support and referrals. As you find the opportunity to share your satisfaction and knowledge about the services Evolution Management, Inc. provides, please continue to mention us to your friends and business associates who might also benefit. We are continuing to grow and would like nothing more than to have more good clients like you. We invite you to visit our website at www.evolutionmgt.com.



"The Bottom Line" is Copyrighted © 2005 by Evolution Management, Inc. All Rights Reserved.