

Human Resources— Moves and Trends in the Market

Q2 2009



Welcome to *Human Resources—Moves and Trends in the Market*, the first report issued by Russell Reynolds Associates' North American Human Resources Practice, representing a snapshot of HR trends, projections and moves within the *Fortune* 1000.

While there remained a heavy focus on cost reduction and downsizing throughout the second quarter, organizations across sectors appear to be in the very early stages of recovery and are beginning to plan for growth. Talent management initiatives do remain focused on leadership development, succession planning and performance management, limiting talent acquisition to strategic hires in key areas. This represents a distinct shift from the hiring strategies in place prior to the depressed economic and business environment.

As part of their retention and key recruitment efforts, organizations are reviewing and/or modifying compensation practices, to find new ways to attract and retain top talent while managing costs—a distinct challenge, given that options are often underwater and long-term incentives are far less valuable as a direct result of the current economic situation. Possible regulatory changes to executive compensation and healthcare benefits add to the retention challenge, and serve to drive another trend - a notable increase in the number of searches for Compensation and Benefits executives, a telling indication of the impact these changes will have on many organizations.

The role of the CHRO/senior human resources executive is also evolving as companies adapt their talent management strategies in response to market conditions:

- CEOs and senior leadership teams are looking to their CHROs and senior-most HR executives to provide insight, guidance and strategic solutions to these talent management challenges, particularly as retention of top leadership remains critical to the success of many organizations.
- Organizations are now re-examining their boards and assessing board composition and director competencies, relying on senior HR executives to help lead that process.
- Private equity firms are realizing the critical contributions made by HR executives to operating strategy, as credit markets and the economy the shift their focus from deals and acquisitions to efficient operations and organizational strategies.

In summary, CHROs and senior HR directors continue to take on additional responsibility for helping their organizations navigate the complex HR and talent management issues still ahead.

Senior Human Resources Moves—Highlights from April through June 2009

A. Schulman Inc.

- **Kim L. Whiteman** joins A. Schulman as Vice President of Global Human Resources. Previously, he was Human Resources Director of Global Sourcing at The Goodyear Tire & Rubber Company.

Alaska Air Group

- **Kelley Dobbs** has been promoted to Vice President of Human Resources and Labor Relations of Alaska Air Group. Previously, Dobbs was Vice President of Human Resources, Strategy and Culture. She replaces Dennis Hamel, who is retiring.

Apollo Group, Inc.

- **Frederick J. Newton** joins Apollo as Senior Vice President of Human Resources. Previously, Newton served as Chief People Officer at SSC Schottenstein Stores Corporation.



Assurant

- **Sylvia R. Wagner** has been promoted to Executive Vice President of Human Resources and Development. Previously, Wagner was Senior Vice President of Human Resources and Development at Assurant Employee Benefits in Kansas City, Mo. She succeeds Lesley G. Silvester, who is retiring.

Avnet, Inc.

- **MaryAnn Miller** has been promoted to Chief Human Resources Officer. Previously, Miller served as Senior Vice President of Global Human Resources as well as Vice President of Talent and Organizational Effectiveness for Avnet. She succeeds Steve Church, who now leads Avnet's Operational Excellence initiatives.

Darden Restaurants, Inc.

- **Daisy Ng** has been promoted to Senior Vice President of Human Resources. Previously, Ng was Senior Vice President of Talent Management at Darden. She succeeds Dan Lyons, who is retiring.

Eli Lilly and Company

- **Susan Mahony** was named Senior Vice President of Human Resources. Previously, Mahony was general manager of Eli Lilly Canada. She replaces Tony Murphy, who is retiring.

Exelon Corporation

- **Ruth Ann M. Gillis**, Executive Vice President, Exelon Corporation and President, Business Services Company, has added Chief Diversity Officer and Human Resources to her current portfolio of corporate functions at Exelon.

HCC Insurance Holdings, Inc.

- **Susan L. Howie** returns to HCC as Vice President of Human Resources. Previously, Howie was head of the Human Resources department from 1997-2005. Before joining HCC, she was Senior Vice President at BetaWest Properties, Inc.

Hilton Hotels

- **Matthew W. Schuyler** has been appointed Executive Vice President and Chief Human Resources Officer at Hilton Hotels. He was previously Chief Human Resources Officer at Capital One.

The Lubrizol Corporation

- **C. Lawrence Miller** was promoted to Vice President of Human Resources. Previously, Miller served as General Manager, Human Resources at Lubrizol. He replaces Mark W. Meister, who is retiring.

NuStar Energy L.P.

- **Bob Grimes** joins NuStar Energy as Vice President of Human Resources. Previously, he was Director of Employee Relations Programs and Public Affairs at Valero Energy Corp.

NV Energy, Inc.

- **Punam Mathur** joins NV Energy as Vice President of Human Resources. Previously, Mathur was Senior Vice President, Corporate Diversity and Community Affairs at MGM Mirage.

Pulte Homes Inc.

- Following Pulte Homes' merger with Centex Corporation, **James Ellinghausen**, Executive Vice President of Human Resources of Pulte Homes, expands his role, taking on broader HR responsibility for the merged company.

RadioShack Corporation

- **Kim Warmbier** joins RadioShack as Senior Vice President of Human Resources. Previously, Warmbier was Chief Personnel Officer for PepsiCo Sales and before that, Group Vice President of Human Resources for Frito-Lay North America Sales.

Starbucks Coffee Company

- **Olden Lee** has been named interim Executive Vice President of Partner Resources of Starbucks Coffee Company. Lee has been a director on Starbucks' board since 2003 and previously held a variety of positions at PepsiCo, including Senior Vice President of Human Resources for Taco Bell, and Senior Vice President and Chief Personnel Officer of KFC. Currently, he is founder and principal of Lee Management Consulting.

XL Capital Ltd.

- **Elizabeth Reeves** has been appointed Executive Vice President and Head of Global Human Resources at XL Capital Ltd. She was previously Senior Vice President and Chief Human Resources Officer of Liz Claiborne.

Human Resources Practice—North American Team



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Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what makes an effective leader ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at www.russellreynolds.com.

