

Discussion Guide

Read This First!

Thank you for using the SHRM Foundation DVD, *Seeing Forward: Succession Planning at 3M*. This document outlines the suggested use and explanation of the supplemental materials created for use with the video. Please read it carefully before proceeding.

Our goal is to provide you, the facilitator, with materials that will allow you to create a customized presentation and discussion. For this reason, we have included this Discussion Guide document. In addition, discussion question slides from the PowerPoint can be deleted to customize your presentation and discussion.

Suggested Program Agenda

1. Distribute the Discussion Questions to participants and suggest that they watch the DVD with the questions in mind.
2. Play the DVD.
3. Use the PowerPoint introductory slides (Slides 2 through 7) to discuss the DVD, the history of 3M, and the 5 important lessons presented at the end of the DVD.
4. Distribute the Participant Worksheets to generate individual thought and discussion. (Alternatively, these worksheets can also be used to assign group activities and continue with Step 5 after the activity, or they can be used after Step 5 to assess participant understanding. Please see the Participant Worksheet section below for more information.)
5. Use the PowerPoint question slides (Slides 8 through 26) to discuss each individual primary discussion question. (The Question Guide provides the facilitator with all necessary information and answers to lead a comprehensive discussion.)
6. Distribute the Participant Worksheet Answer Keys to participants.

Supplemental Materials Descriptions

3M Overview

The 3M Overview can be used as either a facilitator guide or a participant handout. It includes a general outline of important facts about the company, as well as a comprehensive overview of succession planning and leadership development at 3M.

20-Minute Video Synopsis

The Video Synopsis can be used as either a facilitator discussion guide or a participant handout. It presents a chronological summary of the important segments of the video, highlighting the speakers and critical points in each section.

SHRM Overview

The SHRM Overview should be used as a participant handout. Divided into two sections, it gives a detailed description of both SHRM and the SHRM Foundation.

Human Resource Certification Institute (HRCI) Summary

The HRCI Summary should be used as a participant handout. It discusses the levels of professional HR certification available through the Institute, with brief descriptions of each.

Discussion Questions

Please consider the following questions as you watch the SHRM Foundation DVD, Seeing Forward: Succession Planning at 3M. Your facilitator may ask you to answer these questions in discussion or activity format at the completion of the DVD.

What leadership attributes are most important for assessing succession candidates?

In Leadership Development, what is most successful in helping leaders develop?

How does coaching help identify and prepare up-and-coming leaders?

How does “Action Learning” help 3M identify future leaders?

How does innovation affect leadership development and succession planning?

How does an organization incorporate its strategy into the succession-planning process?

What are the key objectives of human capital planning as they pertain to succession planning?

What are some barriers to succession planning that an organization may encounter?

According to 3M, what is an innovative company’s most important asset?

3M Overview

OPERATING INFORMATION

60 Countries, 35 with laboratories
3M operates 35 distinct business units
Manufacturing operations in 29 countries
3M holds 569 U.S. Patents
In 2007, 3M spent 6% of its gross revenues on
Research & Development
Headquarters: St. Paul, Minnesota

MARKET-LEADING BUSINESSES

- Consumer and Office
- Display and Graphics
- Electro and Communications
- Health Care
- Industrial and Transportation
- Safety, Security and Protection Services

NOTABLE PRODUCTS

- Scotch-Brite™ Brand Cleaning Products
- Scotch® Brand Tapes
- Nexcare™ Brand Skincare Products
- Scotchgard™ Brand Fabric Protection
- Microtouch™ Brand Touch Screens
- FastBond™ Brand Adhesives
- Filtrete™ Brand Air Filters
- O-Cel-O™ Brand Sponges
- Post-it® Brand Notes

Post-it® Notes, O-Cel-O™ Sponges, Filtrete™ Air Filters, FastBond™ Adhesives, Microtouch™ Touch Screens, Scotchgard™ Fabric Protection, Nexcare™ Skincare Products, Scotch® Branded Tapes and Scotch-Brite™ Cleaning Products are all registered trademarks of 3M.

HISTORY

The Minnesota Mining and Manufacturing Company (3M) was founded in 1902 in Two Harbors, Minnesota. Originally the company was strictly into quarrying stone for grinding wheels, but found limited success in the industry. In 1906, the headquarters was moved to Duluth, and the company began its scientific research operations. By 1921 the company had developed its first large-scale commercial success: Waterproof Sandpaper. In 1925, the company developed Scotch-Branded Masking tape and innovated an entirely new form cellophane-based tape called “Scotch Tape”.

2007 SALES: \$24.5 Billion, 63% from outside United States

EMPLOYEES: 76,000, including 7,000 Researchers

Video Overview

Narrated and presented by Wayne F. Cascio, Ph.D., SHRM's sixth video examines the importance of succession planning and leadership development. Filmed on location at 3M headquarters in St. Paul, Minnesota, and featuring interviews with 3M officers, managers, and employees, this film presents several compelling reasons for developing a succession planning and leadership training program in an organization.

20-Minute Video Synopsis

VIDEO INTRODUCTION

Wayne Cascio

Cascio describes the challenges to the longevity of companies, and how developing a pipeline of leaders at all levels is key to sustainability and profitability.

DESCRIPTION OF 3M BUSINESS

Wayne Cascio

1:10 – Business Units & Market-Leading Businesses

1:35 – Sales and Employment Statistics

After a brief description of the operations, the narrator talks about the history and organization of the company.

LEADERSHIP

George W. Buckley, Chairman, Chairman, President & CEO

2:00 – Rules of Leadership

2:20 – Leadership Attributes

3:15 – 3M Leadership Attributes

The CEO discusses what it means to be a leader and how common attributes of leadership apply to any business or organization. The narrator describes 3M's list of necessary leadership attributes as they pertain to assessment, development and succession.

TYPES OF SUCCESSFUL LEADERSHIP DEVELOPMENT TRAINING

Pamela K. Martyn, Brian Ronningen, Felipe Lara-Angeli, Cindy L. Johnson, H.C. Shin, George W. Buckley, Angela S. Lalor

3:30 – 3M's Leadership Development

4:00 – Characteristics of 3M's Approach to Leadership Development

5:00 – Growth of the Company = Growth of its Leaders

3M's executives discuss how they strive to develop leaders throughout the company. The diversity of the company requires several different approaches to development including formal training programs, mentorship programs, and individual guidance. CEO Buckley explains that leadership development and succession planning is what sets good companies apart from average companies.

20-Minute Video Synopsis (Continued)

THE LEADER AS COACH

Sandra K. Tokach, Jean Lobey

6:25 – Coaching is central to a leader's role

7:00 – Let your employees tell you how to become a better manager.

The executives talk about coaching people in every direction within the corporate structure. Upward coaching is as important as coaching an up-and-coming employee. Managers should encourage their employees to tell them how they can become better leaders.

ACTION LEARNING

Cindy L. Johnson, H.C. Shin

7:30 – Project-based learning and reviews

New leaders are given reality-based action-learning projects to simulate business opportunities in a free environment. After the ten-day project, the trainees present their findings and defend their research to the CEO.

INNOVATION

George W. Buckley, Jean Lobey, H.C. Shin, Karen B. Paul, Pamela K. Martyn, Sandra K. Tokach

8:15 – Success breeds confidence, and confidence breeds competence

8:30 – Innovation is a way of life at 3M

9:35 – People being themselves

10:24 – 3M's High-Performance Culture

10:55 – 3M's Leadership Processes

The CEO discusses the need to take risks and develop competence via successfully completing projects. 3M pushes innovation throughout its organization - in HR, Product Development, Marketing, etc... Shin discusses the need to allow for the "bubble up" process, to accept failures and learn from them. Martyn explains the need to be inclusive, such that each employee feels valued. 3M's advancements in the assessment of human capital have become vital to its succession-planning efforts.

THE ROLE OF BUSINESS STRATEGY IN SUCCESSION PLANNING

Sandra K. Tokach, Brian Ronningen

11:40 – The roles of Business Strategy

11:59 – Focusing on the Most Critical Jobs

Tokach discusses how valuable it is to have employees understand the strategic direction of the company in order to find the appropriate leaders to bring into the succession-planning process. Ronningen explains that identifying the most critical jobs prevents the succession-planning process from becoming diluted.

HUMAN CAPITAL PLANNING

Wayne Cascio, Brian Ronningen

12:10 – Five Key Objectives of Human Capital Planning

12:35 – Simultaneous Human Capital Planning

20-Minute Video Synopsis (Continued)

Cascio explains the five key objectives of human capital planning –Align Knowledge, Skills, and Abilities with Strategy; Identify Talent Earlier and Deeper; Leverage Talent; Drive Diversity; Balance Internal Development and Outside Hiring. Ronningen explains the importance of executive sponsorship of human capital planning in all workforce categories.

THE OBJECTIVES OF SUCCESSION PLANNING

Wayne Cascio, Brian Ronningen

13:15 – Objective of Succession Planning

13:30 – Executive Resources Committee

Cascio explains the three objectives of succession planning and the role of 3M’s executive resource committee as it works to identify, develop and track the progress of high potential individuals.

BARRIERS TO SUCCESSION PLANNING & LEADERSHIP DEVELOPMENT

Paul W. Groth, Angela S. Lalor, Felipe Lara-Angeli, H.C. Shin, Jean Lobey, Karen B. Paul, George W. Buckley

13:50 – Limits to Management’s Commitment to the process

14:10 – How Specific with Employees

15:00 – Managers Hoarding Star Employees

15:55 – How to Get Better

16:40 – Advice to Other CEOs

17:50 – Competitive Advantage through People

Groth explains potential barriers that managers face as they work on a succession plan. Lalor explains the difficulty of planning with rapidly changing needs of the business, while Lara-Angeli explains that when managers avoid specifics, employees will fill in the gaps to stay engaged and remain involved in the process. Shin explains the need to keep a watchful eye for managers that may try to keep their high-performing employees in their department despite the employee’s potential benefit to other business segments. Lobey explains the need for people to work outside of their comfort zone to grow. Groth explains using technology to automate the leadership identification and development process. Paul states that leadership brand, employment brand, and engagement coming together make the company more competitive in the market place. CEO Buckley discusses a CEO’s legacy. Lalor explains the importance of using each employee’s specific talents to bring out his/her maximum potential. CEO Buckley explains what separates the “Best from the Rest”

FIVE LESSONS FOR LEADERSHIP DEVELOPMENT & SUCCESSION PLANNING

Wayne Cascio

18:40 – The Five Lessons

Cascio explains that the five lessons of leadership development and succession planning are: The CEO must drive the talent agenda – Begin with commitment from the top; Identify and communicate a common set of leadership attributes; Use candid, comprehensive performance reviews; Keep to a regular schedule for performance reviews and identification of talent pools; Link all decisions about talent to the long-term strategy of the organization

Society for Human Resource Management (SHRM)

The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 245,000 individual members, the Society's mission is to serve the needs of HR professionals by providing the most essential and comprehensive resources available.

As an influential voice, the Society's mission is also to advance the human resource profession by giving HR professionals tools to be business leaders, such as executive education programming with prestigious business school partners, SHRM Academy courses in business education, the SHRM Foundation video series, Quarterly Research reports, the HR Competency Toolkit, International Certification, and much more. The Society also works to build recognition in the business community about the role HR plays in organizational success.

SHRM serves the profession by providing HR professionals with ready access to the latest information and trends through SHRM Online Web casts and content, HR Magazine, SHRM white papers, research surveys and the SHRM Information Center, which received more than 125,000 calls last year.

Founded in 1948, SHRM currently has more than 500 affiliated chapters in the United States and members in more than 100 countries. For more information visit SHRM Online at www.shrm.org.

SHRM Foundation

The SHRM Foundation is the 501(c)(3) nonprofit organizational affiliate of the Society for Human Resource Management. Since 1966, the SHRM Foundation has focused on HR as a strategic business leader. It advances the profession and increases the effectiveness of HR professionals through research, education, innovation and research-based knowledge.

The Foundation funds strategic research in all areas related to the management of people in organizations. RFPs (for up to \$200,000) are available on the SHRM Foundation website (www.shrm.org/foundation).

The SHRM Foundation Board of Directors reviews proposals three times each year. Authors can expect to receive detailed feedback on their proposals. More than 85 percent of Foundation research projects completed since 1998 have resulted in a published article, book, or major conference presentation.

In addition, the Foundation funds the dissemination of research-based knowledge through books, videos, DVDs, and innovative educational initiatives such as the SHRM Masters Series, Thought Leaders retreat, and scholarships.

The SHRM Foundation is governed by a volunteer Board of Directors, comprised of distinguished HR academic and practice leaders. Contributions to the SHRM Foundation are tax deductible. For more information, please visit the SHRM Foundation Web site: www.shrm.org/foundation.

QUESTION GUIDE

Developing leadership at all levels is the key to effective succession planning. 3M has identified a list of leadership attributes to help identify and encourage leaders. This set of attributes links all management practices in assessment, development, succession, and compensation.

Some additional questions to discuss:

What do 3M's Leadership Attributes describe?

3M's Leadership attributes describe what leaders need to know, what they need to do, and what kind of people they need to be.

How can a set of common leadership attributes help a company focus on long-term strategy?

By aligning the long-term strategy of an organization with the performance goals and attributes of its leaders, the organization can prepare an arsenal of talent that can help prevent a single point of failure as a result of employee attrition.

How can small companies encourage leadership?

Small firms can develop a leadership pool by keeping employees involved on a levels of the decision-making process, encouraging employees to take risks and make courageous decisions, and by providing an environment that is conducive to innovation.

How can organization keep employees reaching for the next level?

Participants should discuss their personal experiences with initiatives aimed at keeping employees involved while continuing to stretch their innate talents.

What leadership attributes are most important for assessing succession candidates?

Thinks from Outside In

Create and execute strategy based on a deep understanding of the customers and competitors.

Drives Innovation and Growth

Set stretch goals to identify new approaches to markets and customers.

Develops, Teaches and Engages Others

Inspire others to stretch, take risks, and develop their skills fully.

Makes Courageous Decisions

Hold everyone accountable for the decisions they make. Reward successful decisions and constructively evaluate those decisions that were less successful.

Leads with Energy, Passion and Urgency

Contribute to an environment where teams can respond quickly to change and are motivated to succeed.

Lives 3M Values

Act with uncompromising honesty, integrity and professional ethics in a way that constructively challenges processes and behaviors and encourages the inclusive behavior of others.

According to the Experts...



George W. Buckley
Chairman, President & CEO

“You have to try to train people how to think, you have to get them to imagine... to “see forward”... to think their way through circumstances which are unusual and different. That is what separates really great companies from average companies.”

ADDITIONAL RESOURCES

Leadership Competencies

www.shrm.org/research/briefly_published/1Leadership%20Competencies.asp

Hallmarks of Excellence in Leadership

www.shrm.org/testing/products/Hallmarks/hallmarks.asp

QUESTION GUIDE

Experiential learning is the key to successful leadership development. 3M provides several forms of education including formal training, training-through-experience, and training across its multiple market segments.

Some additional questions to discuss:

How can a company provide more training opportunities when it has a limited training staff?

Encouraging employees on all levels to conduct coaching sessions to teach both their subordinates and their superiors something new that they've never seen before. Often, less experienced employees can offer a fresh perspective to help solve problems that may not be obvious to more experienced personnel.

In what ways does "Leaders Teaching Leaders" help strengthen the security of the mentor?

To teach is to master. As a leader prepares to explain the ins-and-outs of the organization to future leaders, he is ostensibly forced to articulate his or her own understanding of the business' goals and strategy thereby fortifying her own knowledge.

What are the challenges that small firms face when leadership is developed through experience?

Small firms, especially those with limited resources and a big vision, might find that they cannot afford the potential failures that are caused by experiential (or experimental) learning.

Do most organizations that you've been involved with prefer structured, lecture-based training or experiential learning?

Participants should discuss their own experiences.

In Leadership Development, what is most successful in helping leaders develop?

Leaders Teaching Leaders

3M encourages its leaders to conduct training events that cover project-related content as well as leadership-development techniques.

Build Relationship with Executives

Encouraging employees to develop relationships with executives is a very effective way to establish a semi-formal mentoring system that will help to develop future leaders organically.

Use Action Learning

Provide a job-related project to work on, and on which to experiment, while allowing for close monitoring of his or her progress.

Customized Training

Use training materials and activities that are tailored to the specific needs of your organization.



H.C. Shin

EVP, Industrial & Transportation Business

According to the Experts...

"I have a philosophy that our business will grow at the speed that we develop our leaders. First of all, I set aside my time for the customers... then my second priority is people development and leadership. Everything else can wait."

ADDITIONAL RESOURCES

It's Never Too Late for a Mentor

www.shrm.org/jobs/articles/shrm_020408.ASP

QUESTION GUIDE

Coaching is very important to the success of 3M's leadership-development and succession-planning process. Coaching happens from all directions - not just top-down like traditional forms of training. 3M capitalizes on the experience of its tenured employees as well as the fresh ideas that bubble up from the employee ranks. Employees coaching their managers has proven to be very beneficial for driving innovation.

Some additional questions to discuss:

How can a manager encourage “upward coaching”?

Having enough self-confidence to seek the advice of your subordinates is required for upward coaching. Managers should avoid being perceived as “arrogant” or “know-it-alls.”

How does coaching compare - in terms of effectiveness - with formal training and performance management?

Coaching, because it is typically a one-on-one experience, provides an opportunity for learning as well as professional networking and manager/subordinate relationship development.

How can small firms leverage coaching as a viable training option?

In small organizations coaching may often be the only viable training option. Managers need to recognize the talents of their employees and encourage cross-pollination. This type of backup system provides long-term security for the organization as well as additional time-off possibilities for employees serving in mission critical roles.

Can coaching be appropriate in all industries and for all employees?

Participants should discuss whether they think coaching is always appropriate and try to identify circumstances where coaching may not be the best training alternative.

How does coaching help identify and prepare up-and-coming leaders?

Coaching the people

Managers coaching employees can increase productivity while opening lines of communication. It serves a critical role in increasing the “brain-trust” of an organization while helping managers identify future leaders.

Coach Colleagues and Peers

Lateral coaching is an effective method to spread best practices quickly throughout an organization. Organizations that operate in multiple market segments may find cost savings by encouraging peers to share what they have learned.

Upward Coaching

Encouraging employees to coach their managers may be the best way to prevent experienced managers from falling into a routine or becoming jaded by their own experience. Those employees with their “ears closest to the ground” often see things that managers cannot.

According to the Experts...



Jean Lobey

EVP Safety Security & Protection Services

“[During] face-to-face meetings, you provide your coaching and your assessment to the employee but you have to be able to listen to the employee. You have to be able to ask the employee [...] ‘How can you help me to become a better manager?’ You must have enough self-confidence to be challenged by your direct reports.”

ADDITIONAL RESOURCES

Executive Coaching – HR Practices and Perspectives

[www.shrm.org/research/translations_published/1Executive%20](http://www.shrm.org/research/translations_published/1Executive%20Coaching%20--%20HR%20Practices%20and%20Perspectives.asp)

[Coaching%20--%20HR%20Practices%20and%20Perspectives.asp](http://www.shrm.org/research/translations_published/1Executive%20Coaching%20--%20HR%20Practices%20and%20Perspectives.asp)

QUESTION GUIDE

3M provides business-driven “action learning” projects to encourage up-and-coming leaders to demonstrate their potential. Employees are given a large amount of freedom to work on a fairly small project that is designed to test their leadership skills. At the end of the project, the employees present their findings to the executive operating team, where they are required to defend their results.

Some additional questions to discuss:

What types of projects can test an employee’s leadership skills?

Typically real-life scenarios work best, however, a well executed simulation could be equally as effective. 3M uses projects such as: identifying new markets, developing a new product prototype, and redesigning existing business methods to test employees.

How can a small organization develop an effective “action learning” project?

A small organization can offer employees an opportunity to temporarily take on a new role within the company, develop a prototype for a new product, or work on real project with an artificially early deadline (should the experiment fail).

Have you ever been involved in an “action learning” project? Please describe the positives and negatives of your experience.

Participants should discuss any experience they have had where they were given a “live” project to test their skill set.

How does “Action Learning” help 3M identify future leaders?

Small Projects

Action Learning projects should be small in nature, as to not overwhelm the employee being tested. Projects that last longer than ten days, might prove overwhelming for a first-time leader.

Freedom to succeed

Give the employees being testing as much latitude as they want. A successful employee will know his/her own limits and won’t use more resources than are necessary. Wasteful use of resources or divergent paths to completion might highlight areas that need coaching or formal training.

Presentation of Findings

Requiring employees to present their findings to the executive operating team of your organization will encourage employees to make their most diligent efforts. In the case of a successful experiment the presentation can be a reward, whereas failed experiments might result in the presentation becoming ‘the’ learning opportunity.



Cindy L. Johnson
Mgr. Leadership Development

According to the Experts...

“They last about ten days. People work on them from 7:00 in the morning to 10:00 at night. Then at the end of the project they present their finding to the [...] executive operating team where they defend their findings.”

ADDITIONAL RESOURCES

Hands-on Employee Development: A Good Bet to Retain Your Best Workers
www.shrm.org/managingsmart/1001b.asp

QUESTION GUIDE

For 3M, innovation is not just about new products. It's about the business model, marketing, human resources, and every other aspect of the business. 3M works hard to provide an environment where innovation can happen naturally.

Some additional questions to discuss:

What is the key to driving innovation?

The key to driving innovation is providing a nurturing environment where employees feel encouraged to take risks and make courageous decisions. Organizations should respond in a constructive way to both successful and failed experiments.

What is the “bubble-up” process?

Allowing ideas to float to the surface often involves tolerating many “collisions” along the way. Think of a glass of soda. If every bubble that bumped into another bubble was ‘popped’, no bubbles would make it to the top. Often the best ideas (or bubbles) start at the bottom, reshape themselves by responding to forces in the environment, and grow in size and scope as they make it to the surface. It is important to allow small bubbles to become the next-best product or idea.

When innovation is occurring, how can you recognize who is leading the pack?

Sometimes it is obvious who is leading an innovative project, but often it is someone unexpected. Ask the designated manager who contributed most to the success of the project. Try to identify the person or group of people who seeded the idea and work hardest to see it through. Do not assume that the designated leader was the one necessarily responsible for the success of the innovation.

How does innovation affect leadership development and succession planning?

Allow Ideas to Bubble-Up

Organizations need to encourage employees to take risks and see their ideas through to successful conclusion. Those employees who fight hard enough to get their ideas implemented are likely to become key leaders in the organization's future.

Allow People to Be Themselves

When employees are encouraged to seek out what they think is the best-possible solution to a problem, they will often come up with wildly innovative solutions. Employees and managers who encourage others to be themselves are great candidates for leadership roles.

Innovative employees are often strong leaders

The grit that it takes to see an innovative idea through to final development is indicative of a good leader. When employees on the ground are pushing ideas to the surface, management should recognize their potential for leadership roles.

According to the Experts...



George W. Buckley
Chairman, President & CEO

“People have to get familiar and comfortable with taking risks... with the idea of imagining something then driving it to conclusion. And having once got there [...] there's that old adage: ‘Success breeds confidence, and confidence breeds competence.’”

ADDITIONAL RESOURCES

Succession Planning: Identifying and Developing Talent
www.shrm.org/kc/solutions/articles/archives/CMS_022285.asp

QUESTION GUIDE

Having a complete understanding of the long range goals and strategy of an organization is critical to knowing which managerial roles are necessary for the longevity of the company. As part of its succession-planning process, 3M focuses largely on those jobs that are central to its success.

Some additional questions to discuss:

Why not consider every management position when planning for succession?

Because you want to try to avoid diluting the process. It is important to give your full attention to those positions which are critical to the success of the company.

How can an organization identify strategy-critical roles?

The best way to identify the most critical positions is to match the organizations management hierarchy with the key points in its strategy statement. The positions that fulfill the items of highest priority in the strategy statement are those that you should focus on.

What should a company do if it does not have a focused strategy?

Developing a meaningful succession plan requires knowing where the organization is heading. Before developing any succession plan, the organization should decide on a long-term strategy.

At your place of employment, which roles would you consider critical to the success of the strategy?

Participants should discuss their own work experiences.

How does an organization incorporate its strategy into the succession-planning process?

Align key management roles with elements of the organization's strategy

When developing a succession plan, organizations should begin by looking at which management positions directly fulfill the requirements of the organization's strategy.

Focus on those jobs which are directly related to the long-term strategy of the company.

After the organization identifies its most critical roles, focus should be placed on finding and developing future leaders to seamlessly take over those roles.

Avoid diluting the process

It can be tempting to develop a "backup plan" for every managerial role in your organization, however such a task might become overwhelming and will ultimately dilute the entire succession plan.



Sandra Tokach, Ph.D.
VP, Human Resources

According to the Experts...

"Business strategy plays the central role. Without the strategic direction or without understanding the strategic direction, it's hard to do succession planning."

ADDITIONAL RESOURCES

Succession Planning: Tie Talent Needs to Current, Future
www.shrm.org/ema/news_published/CMS_016356.asp

QUESTION GUIDE

Human Capital Planning has become one of the single most important efforts a company can make to ensure corporate longevity. Finding the right people to fill every role in an organization can be difficult and time consuming. Preventing attrition by internally developing leaders helps to minimize the costs associated with searching for and hiring new employees.

Some additional questions to discuss:

Why is human capital planning an important part of succession planning?

Having the right people in place to execute the organization's strategy is critical to planning for succession. A management succession plan can be undermined by a poor human capital plan. Incoming managers have enough to worry about without having to deal with inadequate human resources.

Why is executive sponsorship of human capital planning and succession planning important?

Executive sponsorship lends human capital planning and succession planning the importance that it needs to be properly executed. Human capital planning can mistakenly be viewed as optional if the highest-level executives do not drive home its importance.

How can a small business plan for human capital?

Small-business managers are best able to plan for human capital by developing detailed job descriptions that align with their long-term vision for the company. Once the role is clearly defined, the organization can begin to seek out eligible candidates (both internally and externally) to fill positions. For small businesses, it can be harder to identify single-function jobs, so in some cases the job description might resemble a prioritized "wish" list.

What are the key objectives of human capital planning as they pertain to succession planning?

Align Knowledge, Skills, and Abilities with Strategy

Focus the organization on providing goods and services that maximize the utility of your human resources.

Identify Talent Earlier and Deeper

Take note of up-and-coming leaders and build depth into the organization.

Leverage Talent

Encourage employees to use their talents so they remain connected and feel productive. Encourage cross-discipline utilization of talent.

Drive Diversity

Encourage diverse ideas and allow people to express their ideas.

Balance Internal Development and Outside Hiring

Strike a balance between hiring new employees and promoting from within. It is important to keep a fresh stream of ideas flowing inward, while protecting the brain-trust that the organization has developed.



Brian Ronningen
Mgr, Human Capital Planning

According to the Experts...

"One thing that we have nailed down is executive sponsorship of these processes. From the very top they are supported and that makes them move very smoothly. All countries, all business will participate in putting together a human capital plan. We look at all work force categories."

ADDITIONAL RESOURCES

Human Capital Planning at Corning: More Than a Head Count
www.shrm.org/ema/library_published/nonIC/CMS_025137.asp

QUESTION GUIDE

In any organization, competing interests often derail one project in favor of another. Succession planning is often put off to a later date due to the fact that it is not something that is necessarily pressing or urgent. Unfortunately, an organization does not always have the luxury of knowing when a leader is going to retire, leave, or sever his connection to organization as a result of unplanned circumstances.

Some additional questions to discuss:

What can an organization do to prevent barriers from forming?

Executive-level support for the development of a succession plan can help to motivate managers to make the process a priority. Also, the executive may appoint an HR person or team to work with each department to ensure that a properly considered plan gets developed.

How can a organization overcome barriers to succession planning?

Providing additional resources for busy managers is a good way to encourage managers to focus on developing a succession plan. Also, managers should be encouraged to seek out employees from other divisions of the organization to find the most qualified candidates.

What can an organization do to prevent managers from hoarding star employees?

High-level managers should conduct regular audits of individual performance reviews to monitor the progress of all employees. Employees who are consistently over-achievers should be considered for promotion to other areas of the organization where their skills set might be more greatly needed. Some organizations have set a limit on an employee's tenure in the same position.

What are some barriers to succession planning that an organization may encounter?

Managers lacking time and effort

Many managers in profit-driven organizations find themselves too busy to focus on anything other than short- and long-term profit generation. Many managers operate within a tight budget thereby limiting the amount of flexible man hours available to properly develop a succession plan.

Differences in operating procedures among business divisions

Because some organizations are so large, developing a succession plan seems daunting. The key to overcoming this issue is to focus on the commonalities among the business units as a starting point for succession planning.

Managers hoarding star employees

Excellent workers are hard to find, and when they do appear, managers rarely want to share them with any other department. Without proper human capital planning, promoting a star employee could prove very detrimental to a department or manager.



Paul W. Groth
HR Director, Workforce Planning

According to the Experts...

“Two things we can work on – they all go back to automating the process. One is to make sure we have a database that can be used to search, and second is to allow management to do self-service.”

ADDITIONAL RESOURCES

Moving Past ‘Mini-Me’

www.shrm.org/hrmagazine/articles/1103/1103BLUNT.asp

QUESTION GUIDE

Simply put - it is the people. Innovation is a human process, and an organization that wants to be innovative must protect its competitive advantage by investing in people. Most competitors can spend the same amount of money on capital and marketing, but what separates the best from the rest is the people who you hire and how you lead them.

Some additional questions to discuss:

How can an organization with limited resources hire the best employees?

Often companies will offer ownership of the company as incentive to attract top-quality talent. Stock option incentive plans, bonus payment, and profit-sharing arrangements are common for businesses that do not wish to or cannot pay market beating salaries.

What are some ways to identify excellent new hires?

Take advantage of pre-hire testing. Seek feedback from former employers/educators, and utilize professional staffing services if necessary. In most industries, there are trade organizations or workers guilds that can recommend the best-of-the-best employees.

Have you ever been in an organization that truly recognized employees as its most valuable assets? How might that compare to companies that do not?

Participants should compare and contrast personal experiences with organizations that recognize employees as the most valuable asset with those that do not.

According to 3M, what is an innovative company's most important asset?

Find the right people

Do what it takes to attract the right employees to your organization. Employees that "fit" into an organization's strategic vision will pay for themselves.

Set them in the right direction

Once you have the right employees, help them understand the strategic direction of the organization. A properly guided employee can become profit-generating more rapidly if the initial "figuring out the company" stage can be minimized.

Lead them to success

Constantly monitor the progress of employees and provide feedback so they feel successful in the organization. Employees who feel like they are contributing to the success of the organization tend to stay productive and remain loyal far longer than those who do not.



George W. Buckley
Chairman, President & CEO

According to the Experts...

"When you see competitors lined up against one of another. Most of them can spend the same amount of money on capital, R&D, marketing, or distribution, but the thing that separates the best from the rest is the people you hire and how you lead them to success."

ADDITIONAL RESOURCES

Gauge Your Human Capital

www.shrm.org/hrmagazine/2000index/0700/0700bookshelf.asp

PARTICIPANT WORKSHEET

What leadership attributes are most important for assessing succession candidates?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

What do 3M's Leadership Attributes describe?

How can a set of common leadership attributes help a company focus on long-term strategy?

How can small companies encourage leadership?

How can organization keep employees reaching for the next level?

PARTICIPANT WORKSHEET

**In Leadership Development,
what is most successful in
helping leaders develop?**

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

How can a company provide more training opportunities when it has a limited training staff? _____

In what ways does "Leaders Teaching Leaders" help strengthen the security of the mentor? _____

What are the challenges that small firms face when leadership is developed through experience? _____

Do most organizations that you've been involved with prefer structured, lecture-based training or experiential learning? _____

PARTICIPANT WORKSHEET

How does coaching help identify and prepare up-and-coming leaders?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

How can a manager encourage "upward coaching"?

How does coaching compare – in terms of effectiveness – with formal training and performance management? _____

How can small firms leverage coaching as a viable training option?

Can coaching be appropriate in all industries and for all employees?

PARTICIPANT WORKSHEET

How does “Action Learning” help 3M identify future leaders?

Participant’s Name _____

Follow the facilitator’s instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

What types of projects can test an employee’s leadership skills?

How can a small organization develop an effective “action learning” project?

Have you ever been involved in an “action learning” project? Please describe the positives and negatives of your experience.

PARTICIPANT WORKSHEET

How does innovation affect leadership development and succession planning?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

What is the key to driving innovation?

What is the "bubble-up" process?

When innovation is occurring, how can you recognize who is leading the pack?

PARTICIPANT WORKSHEET

How does an organization incorporate its strategy into the succession-planning process?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

Why not consider every management position when planning for succession?

How can an organization identify strategy-critical roles?

What should a company do if it does not have a focused strategy?

At your place of employment, which roles would you consider critical to the success of the strategy? _____

PARTICIPANT WORKSHEET

What are the key objectives of human capital planning as they pertain to succession planning?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

Why is human capital planning an important part of succession planning?

Why is executive sponsorship of human capital planning and succession planning important?

How can a small business plan for human capital?

PARTICIPANT WORKSHEET

What are some barriers to succession planning that an organization may encounter?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

What can an organization do to prevent barriers from forming?

How can a organization overcome barriers to succession planning?

What can an organization do to prevent managers from hoarding star employees?

PARTICIPANT WORKSHEET

According to 3M, what is an innovative company's most important asset?

Participant's Name _____

Follow the facilitator's instructions to complete this worksheet. Comprehensive answers will incorporate information from the video, personal experience, and classroom discussions.

How can an organization with limited resources hire the best employees?

What are some ways to identify excellent new hires?

Have you ever been in an organization that truly recognized employees as its most valuable assets? How might that compare to companies that do not?

PARTICIPANT ANSWER KEY

What leadership attributes are most important for assessing succession candidates?

The following answers are key points in the Primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Developing leadership at all levels is the key to effective succession planning. 3M has identified a list of leadership attributes to help identify and encourage leaders. This set of attributes links all management practices in assessment, development, succession, and compensation.

Thinks from Outside In

Create and execute strategy based on a deep understanding of the customers and competitors.

Drives Innovation and Growth

Set stretch goals to identify new approaches to markets and customers.

Develops, Teaches and Engages Others

Inspire others to stretch, task risks, and develop their skills fully.

Makes Courageous Decisions

Hold everyone accountable for the decisions they make. Reward successful decisions and constructively evaluate those decisions that were less successful.

Leads with Energy, Passion and Urgency

Contribute to an environment where teams can respond quickly to change and are motivated to succeed.

Lives 3M Values

Act with uncompromising honesty, integrity and professional ethics in a way that constructively challenges processes and behaviors and encourages the inclusive behavior of others.

What do 3M's Leadership Attributes describe?

3M's Leadership attributes describe what leaders need to know, what they need to do, and what kind of people they need to be.

How can a set of common leadership attributes help a company focus on long-term strategy?

By aligning the long-term strategy of an organization with the performance goals and attributes of its leaders, the organization can prepare an arsenal of talent that can help prevent a single point of failure as a result of employee attrition.

How can small companies encourage leadership?

Small firms can develop a leadership pool by keeping employees involved on a levels of the decision-making process, encouraging employees to take risks and make courageous decisions, and by providing an environment that is conducive to innovation.

How can organization keep employees reaching for the next level?

Participants should discuss their personal experiences with initiatives aimed at keeping employees involved while continuing to stretch their innate talents.

PARTICIPANT ANSWER KEY

In Leadership Development, what is most successful in helping leaders develop?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Experiential learning is the key to successful leadership development. 3M provides several forms of education including formal training, training-through-experience, and training across its multiple market segments.

Leaders Teaching Leaders

3M encourages its leaders to conduct training events that cover project-related content as well as leadership-development techniques.

Build Relationship with Executives

Encouraging employees to develop relationships with executives is a very effective way to establish a semi-formal mentoring system that will help to develop future leaders organically.

Use Action Learning

Provide a job-related project to work on, and on which to experiment, while allowing for close monitoring of his or her progress.

Customized Training

Use training materials and activities that are tailored to the specific needs of your organization.

How can a company provide more training opportunities when it has a limited training staff?

Encouraging employees on all levels to conduct coaching sessions to teach both their subordinates and their superiors something new that they've never seen before. Often, less experienced employees can offer a fresh perspective to help solve problems that may not be obvious to more experienced personnel.

In what ways does "Leaders Teaching Leaders" help strengthen the security of the mentor?

To teach is to master. As a leader prepares to explain the ins-and-outs of the organization to future leaders, he is ostensibly forced to articulate his or her own understanding of the business' goals and strategy thereby fortifying her own knowledge.

What are the challenges that small firms face when leadership is developed through experience?

Small firms, especially those with limited resources and a big vision, might find that they cannot afford the potential failures that are caused by experiential (or experimental) learning.

Do most organizations that you've been involved with prefer structured, lecture-based training or experiential learning?

Participants should discuss their own experiences.

PARTICIPANT ANSWER KEY

How does coaching help identify and prepare up-and-coming leaders?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Coaching is very important to the success of 3M's leadership-development and succession-planning process. Coaching happens from all directions - not just top-down like traditional forms of training. 3M capitalizes on the experience of its tenured employees as well as the fresh ideas that bubble up from the employee ranks. Employees coaching their managers has proven to be very beneficial for driving innovation.

Coaching the people

Managers coaching employees can increase productivity while opening lines of communication. It serves a critical role in increasing the "brain-trust" of an organization while helping managers identify future leaders.

Coach Colleagues and Peers

Lateral coaching is an effective method to spread best practices quickly throughout an organization. Organizations that operate in multiple market segments may find cost savings by encouraging peers to share what they have learned.

Upward Coaching

Encouraging employees to coach their managers may be the best way to prevent experienced managers from falling into a routine or becoming jaded by their own experience. Those employees with their "ears closest to the ground" often see things that managers cannot.

How can a manager encourage "upward coaching"?

Having enough self-confidence to seek the advice of your subordinates is required for upward coaching. Managers should avoid being perceived as "arrogant" or "know-it-all."

How does coaching compare - in terms of effectiveness - with formal training and performance management? Coaching, because it is typically a one-on-one experience, provides an opportunity for learning as well as professional networking and manager/subordinate relationship development.

How can small firms leverage coaching as a viable training option?

In small organizations coaching may often be the only viable training option. Managers need to recognize the talents of their employees and encourage cross-pollination. This type of backup system provides long-term security for the organization as well as additional time-off possibilities for employees serving in mission critical roles.

Can coaching be appropriate in all industries and for all employees?

Participants should discuss whether they think coaching is always appropriate and try to identify circumstances where coaching may not be the best training alternative.

PARTICIPANT ANSWER KEY

How does “Action Learning” help 3M identify future leaders?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

3M provides business-driven “action learning” projects to encourage up-and-coming leaders to demonstrate their potential. Employees are given a large amount of freedom to work on a fairly small project that is designed to test their leadership skills. At the end of the project, the employees present their findings to the executive operating team, where they are required to defend their results.

Small Projects

Action Learning projects should be small in nature, as to not overwhelm the employee being tested. Projects that last longer than ten days, might prove overwhelming for a first-time leader.

Freedom to succeed

Give the employees being testing as much latitude as they want. A successful employee will know his/her own limits and won't use more resources than are necessary. Wasteful use of resources or divergent paths to completion might highlight areas that need coaching or formal training.

Presentation of Findings

Requiring employees to present their findings to the executive operating team of your organization will encourage employees to make their most diligent efforts. In the case of a successful experiment the presentation can be a reward, whereas failed experiments might result in the presentation becoming ‘the’ learning opportunity.

What types of projects can test an employee’s leadership skills?

Typically real-life scenarios work best, however, a well executed simulation could be equally as effective. 3M uses projects such as: identifying new markets, developing a new product prototype, and redesigning existing business methods to test employees.

How can a small organization develop an effective “action learning” project?

A small organization can offer employees an opportunity to temporarily take on a new role within the company, develop a prototype for a new product, or work on real project with an artificially early deadline (should the experiment fail).

Have you ever been involved in an “action learning” project? Please describe the positives and negatives of your experience.

Participants should discuss any experience they have had where they were given a “live” project to test their skill set.

PARTICIPANT ANSWER KEY

How does innovation affect leadership development and succession planning?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

For 3M, innovation is not just about new products. Its about the business model, marketing, human resources, and every other aspect of the business. 3M works hard to provide an environment where innovation can happen naturally.

Allow Ideas to Bubble-Up

Organizations need to encourage employees to take risks and see their ideas through to successful conclusion. Those employees who fight hard enough to get their ideas implemented are likely to become key leaders in the organization's future.

Allow People to Be Themselves

When employees are encouraged to seek out what they think is the best-possible solution to a problem, they will often come up with wildly innovative solutions. Employees and managers who encourage others to be themselves are great candidates for leadership roles.

Innovative employees are often strong leaders

The grit that it takes to see an innovative idea through to final development is indicative of a good leader. When employees on the ground are pushing ideas to the surface, management should recognize their potential for leadership roles.

What is the key to driving innovation?

The key to driving innovation is providing a nurturing environment where employees feel encouraged to task risks and make courageous decisions. Organizations should respond in a constructive way to both successful and failed experiments.

What is the “bubble-up” process?

Allowing ideas to float to the surface often involves tolerating many “collisions” along the way. Think of a glass of soda. If every bubble that bumped into another bubble was ‘popped’, no bubbles would make it to the top. Often the best ideas (or bubbles) start at the bottom, reshape themselves by responding to forces in the environment, and grow in size and scope as they make it to the surface. It is important to allow small bubbles to become the next-best product or idea.

When innovation is occurring, how can you recognize who is leading the pack?

Sometimes it is obvious who is leading an innovative project, but often it is someone unexpected. Ask the designated manager who contributed most to the success of the project. Try to identify the person or group of people who seeded the idea and work hardest to see it through. Do not assume that the designated leader was the one necessarily responsible the success of the innovation.

PARTICIPANT ANSWER KEY

How does an organization incorporate its strategy into the succession-planning process?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Having a complete understanding of the long range goals and strategy of an organization is critical to knowing which managerial roles are necessary for the longevity of the company. As part of its succession-planning process, 3M focuses largely on those jobs that are central to its success.

Align key management roles with elements of the organization's strategy

When developing a succession plan, organizations should begin by looking at which management positions directly fulfill the requirements of the organization's strategy.

Focus on those jobs which are directly related to the long-term strategy of the company.

After the organization identifies its most critical roles, focus should be placed on finding and developing future leaders to seamlessly take over those roles.

Avoid diluting the process

It can be tempting to develop a "backup plan" for every managerial role in your organization, however such a task might become overwhelming and will ultimately dilute the entire succession plan.

Why not consider every management position when planning for succession?

Because you want to try to avoid diluting the process. It is important to give your full attention to those positions which are critical to the success of the company.

How can an organization identify strategy-critical roles?

The best way to identify the most critical positions is to match the organizations management hierarchy with the key points in its strategy statement. The positions that fulfill the items of highest priority in the strategy statement are those that you should focus on.

What should a company do if it does not have a focused strategy?

Developing a meaningful succession plan requires knowing where the organization is heading. Before developing any succession plan, the organization should decide on a long-term strategy.

At your place of employment, which roles would you consider critical to the success of the strategy?

Participants should discuss their own work experiences.

PARTICIPANT ANSWER KEY

What are the key objectives of human capital planning as they pertain to succession planning?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Human Capital Planning has become one of the single most important efforts a company can make to ensure corporate longevity. Finding the right people to fill every role in an organization can be difficult and time consuming. Preventing attrition by internally developing leaders helps to minimize the costs associated with searching for and hiring new employees.

Align Knowledge, Skills, and Abilities with Strategy

Focus the organization on providing goods and services that maximize the utility of your human resources.

Identify Talent Earlier and Deeper

Take note of up-and-coming leaders and build depth into the organization.

Leverage Talent

Encourage employees to use their talents so they remain connected and feel productive. Encourage cross-discipline utilization of talent.

Drive Diversity

Encourage diverse ideas and allow people to express their ideas.

Balance Internal Development and Outside Hiring

Strike a balance between hiring new employees and promoting from within. It is important to keep a fresh stream of ideas flowing inward, while protecting the brain-trust that the organization has developed.

Why is human capital planning an important part of succession planning?

Having the right people in place to execute the organization's strategy is critical to planning for succession. A management succession plan can be undermined by a poor human capital plan. Incoming managers have enough to worry about without having to deal with inadequate human resources.

Why is executive sponsorship of human capital planning and succession planning important?

Executive sponsorship lends human capital planning and succession planning the importance that it needs to be properly executed. Human capital planning can mistakenly be viewed as optional if the highest-level executives do not drive home its importance.

How can a small business plan for human capital?

Small-business managers are best able to plan for human capital by developing detailed job descriptions that align with their long-term vision for the company. Once the role is clearly defined, the organization can begin to seek out eligible candidates (both internally and externally) to fill positions. For small businesses, it can be harder to identify single-function jobs, so in some cases the job description might resemble a prioritized "wish" list.

PARTICIPANT ANSWER KEY

What are some barriers to succession planning that an organization may encounter?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

In any organization, competing interests often derail one project in favor of another. Succession planning is often put off to a later date due to the fact that it is not something that is necessarily pressing or urgent. Unfortunately, an organization does not always have the luxury of knowing when a leader is going to retire, leave, or sever his connection to organization as a result of unplanned circumstances.

Managers lacking time and effort

Many managers in profit-driven organizations find themselves too busy to focus on anything other than short- and long-term profit generation. Many managers operate within a tight budget thereby limiting the amount of flexible man hours available to properly develop a succession plan.

Differences in operating procedures among business divisions

Because some organizations are so large, developing a succession plan seems daunting. The key to overcoming this issue is to focus on the commonalities among the business units as a starting point for succession planning.

Managers hoarding star employees

Excellent workers are hard to find, and when they do appear, managers rarely want to share them with any other department. Without proper human capital planning, promoting a star employee could prove very detrimental to a department or manager.

What can an organization do to prevent barriers from forming?

Executive-level support for the development of a succession plan can help to motivate managers to make the process a priority. Also, the executive may appoint an HR person or team to work with each department to ensure that a properly considered plan gets developed.

How can a organization overcome barriers to succession planning?

Providing additional resources for busy managers is a good way to encourage managers to focus on developing a succession plan. Also, managers should be encouraged to seek out employees from other divisions of the organization to find the most qualified candidates.

What can an organization do to prevent managers from hoarding star employees?

High-level managers should conduct regular audits of individual performance reviews to monitor the progress of all employees. Employees who are consistently over-achievers should be considered for promotion to other areas of the organization where their skills set might be more greatly needed. Some organizations have set a limit on an employee's tenure in the same position.

PARTICIPANT ANSWER KEY

According to 3M, what is an innovative company's most important asset?

The following answers are key points in the primary and secondary discussion questions. Use this guide to check the answers on your Participant Worksheet.

Simply put - it is the people. Innovation is a human process, and an organization that wants to be innovative must protect its competitive advantage by investing in people. Most competitors can spend the same amount of money on capital and marketing, but what separates the best from the rest is the people who you hire and how you lead them.

Find the right people

Do what it takes to attract the right employees to your organization. Employees that “fit” into an organization’s strategic vision will pay for themselves.

Set them in the right direction

Once you have the right employees, help them understand the strategic direction of the organization. A properly guided employee can become profit-generating more rapidly if the initial “figuring out the company” stage can be minimized.

Lead them to success

Constantly monitor the progress of employees and provide feedback so they feel successful in the organization. Employees who feel like they are contributing to the success of the organization tend to stay productive and remain loyal far longer than those who do not.

How can an organization with limited resources hire the best employees?

Often companies will offer ownership of the company as incentive to attract top-quality talent. Stock option incentive plans, bonus payment, and profit-sharing arrangements are common for businesses that do not wish to or cannot pay market beating salaries.

What are some ways to identify excellent new hires?

Take advantage of pre-hire testing. Seek feedback from former employers/educators, and utilize professional staffing services if necessary. In most industries, there are trade organizations or workers guilds that can recommend the best-of-the-best employees.

Have you ever been in an organization that truly recognized employees as its most valuable assets? How might that compare to companies that do not?

Participants should compare and contrast personal experiences with organizations that recognize employees as the most valuable asset with those that do not.

EXECUTIVE PROFILE

George W. Buckley
Chairman, President &
CEO



Buckley was appointed Chairman of the Board, President and Chief Executive Officer in December of 2005. Prior to joining 3M, Buckley was the Chairman and Chief Executive Officer of the Brunswick Corporation, President of U.S. Electric Motors Division and Automotive and Precision Motors Division of Emerson Electric Company in St. Louis. Prior to Emerson, he was the managing director (President) of the Central Services Division of the British Railways Board, in the U.K.

Buckley remains active in the community by participating in several business, professional and civic organizations. He serves on the board of directors of the Black & Decker Corporation and also on Archer Daniels Midland Company. He is a member of the Asia Business Council, the Research, Innovation and Enterprise Council, the Measuring Innovation in the 21st Century Economy Advisory Committee, and the Minnesota Business Partnership. He also serves on the board of trustees for Minnesota Public Radio and the University of St. Thomas.

Buckley was born in Seffield, England, and holds a Bachelor of Science degree in Electrical and Electronic Engineering from University of Huddersfield, and a Ph.D. in Engineering from the Universities of Southampton and Huddersfield.

EXECUTIVE PROFILE

H.C. Shin
EVP
Industrial &
Transportation



Shin was appointed to the Executive Vice President of Industrial and Transportation Business in January 2006. Prior to this role, Shin worked in various positions within 3M for twenty-four years. In 1984, Shin began his career as Technical Service Supervisor in the Building Service and Cleaning Products division of 3M Korea. In 1995, he relocated to the Philippines to serve as the Managing Director. In 1998, Shin moved to the United States to serve as the Business Unit Manager of the Post-it® Flag Business Unit. Since then he ran three (3) different operating divisions as a division vice president before he took over his current responsibility as the Executive Vice President of Industrial & Transportation business.

Shin is an active member of the American Chamber of Commerce in Manila and the Minnesota Korean Chamber of Commerce.

Shin was born in Chungju, South Korea and holds a degree in Mechanical Engineering from Seoul National University.

EXECUTIVE PROFILE

Angela S. Lalor
SVP
Human Resources



In January 2006, Lalor was appointed the Senior Vice President of Human Resources position. Lalor has been a career employee of 3M for more than 18 years. Lalor began as Human Resources Assistant for Staffing and College Relations. By 1995, she held her first managerial role as the Plant Human Resources Manager of the Irvine Surgical Products and CDI division of 3M Health Care. Since then, she served in multiple roles including Six Sigma Master Black Belt and as Director of Compensation. Prior to becoming Senior Vice President of Human Resources, she was the executive Director of Human Resources Operations.

Lalor is a member of the Human Resources Executive Council (HREC), Human Resources Roundtable Group (HRRG), and the The Cowdrick Group.

Lalor was born in Remsen, Iowa and holds a Bachelor of Arts degree in Psychology from the University of Northern Iowa, and a Master of Arts degree in Business-Industrial Relations/Human Resources from the University of Iowa.

EXECUTIVE PROFILE

Jean Lobey
**EVP Safety, Security &
Protection Services**



In January 2005, Lobey was appointed the Executive Vice President position of the Safety, Security and Protection Services Business division of 3M. Prior to that, Lobey served as the Managing Director of 3M Brazil and the Executive Director of Six Sigma in Europe and Middle East.

In 1976, Lobey started his career with the Central Marketing Public Affairs division. Since then, he has served as Marketing Manager of Commercial Office Supplies, and Department Manager of the following departments: Personal Care Products, Dental Products, Pharma & Agricultural and Animal Care Products, and Consumer Stationery. In 1993, Lobey became the Business Director of the Commercial Office Supply Division.

Lobey was born in Algiers, Algeria and holds a Masters in Economy and Marketing from the University Paris XIII.

EXECUTIVE PROFILE

Felipe Lara-Angeli
HR Director
Display & Graphics



Felipe F. Lara-Angeli is currently the Human Resources Director for Display & Graphics Business (one of 3M's six big businesses). Felipe has had a wide variety of experiences in his 18 years of service with 3M. Felipe joined 3M in Chile as a Human Resources Manager, and gained significant experience in Latin America and Africa over the next several years.

He came to the United States in 2000 to manage the Supervisory and Management Corporate Leadership function. Felipe was then tapped again for the HR Master Black Belt position, and was subsequently promoted to the role, Asia Pacific Human Resources Director, based out of Hong Kong.

Prior to coming to 3M, Felipe gained expertise and experience in the consulting business with other multinational corporations, and he holds the equivalent of a Master's Degree in Psychology from the University of Chile.

EXECUTIVE PROFILE

Cindy L. Johnson
Manager
Leadership Development



Cindy Johnson has responsibility for setting the strategic direction and scope for Global Leadership Development at 3M in support of global, regional and local business goals, needs, and requirements. She has over 20 years experience in executive and global leadership development, employee development programs and facility management. The focus of her work is directed at designing and building Global Leadership Development Programs to accelerate the development of future leaders for 3M.

She has been responsible for the creation, development and management of many individual contributor, supervisory, management, and executive skill building and personal development programs. She conceptualized and developed the Leadership Continuum – a career-long growth process for 3M employees through the executive levels based on global leadership competencies. She recently completed a two-year project in managing the design and building of 3M's new Leadership Development Institute. Recently she has been instrumental in achieving leadership development programs for customers.

EXECUTIVE PROFILE

Brian Ronningen
Manager
Human Capital Planning

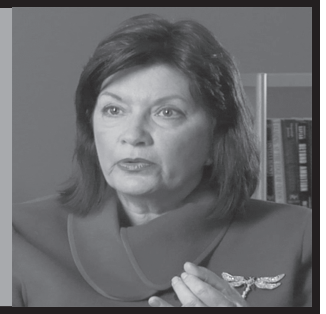


Brian Ronningen is the manager of Human Capital Planning at 3M, which provides the strategic analysis of the future people needs to achieve forecasted business objectives. In this role Brian is responsible for various talent processes including talent planning, performance management and succession management.

Brian joined 3M in 1995 and has held various Human Resources positions including both generalist and specialist positions at two 3M manufacturing facilities and 3M Center. Brian holds a Bachelor's degree in Industrial-Organizational Psychology and a Master's degree in Industrial Relations from the University of Minnesota.

EXECUTIVE PROFILE

Pamela K. Martyn
HR Director
Industrial &
Transportation



Pamela Martyn is the Human Resource (HR) business director within the Industrial and Transportation Business. Her primary role is to advise and action the Human Capital Plan. The objectives of Human Capital Planning are to ensure that 3M has the right people, in the right place, engaged to achieve the desired business results.

Pam has held previous roles including director of HR Consumer and Office Business, Talent Management, where she was accountable for corporate recruiting, college relations, measurement, assessment, and succession planning. In addition, she has held many HR generalist roles in a variety of businesses.

Pam has a master's degree in Psychology from Northern State University and a bachelor's degree in Business Administration. She also has been certified as a Professional in Human Resources from the Human Resources Certification Institute.

EXECUTIVE PROFILE

Sandra K. Tokach
VP Human Resources



Tokach joined the 3M Company in a technical R&D position in February 1980 as Chemist Specialist. In December 1984, she became a Supervisor Product Development in Traffic Control Materials Division and took on roles with increased responsibilities for technical leadership in: Traffic Control, Medical Specialties and Automotive Aftermarket Divisions. In 1999, she was appointed to lead 3M's Aerospace and Aircraft Maintenance Department and later was appointed General Manager and Division Vice President. In April 2006, Tokach was appointed to her current position, Vice President, Talent Development and Organizational Effectiveness in 3M Human Resources.

Tokach serves on the Board for the 3M Foundation and Children's Home Society and Family Services; a member of the Industrial Relations Center Advisory Council, University of Minnesota. She is the 3M executive sponsor for Penn State, and also a member of 3M's Human Resources Advisory Council on Diversity.

Tokach received a B.A. Chemistry in 1974 from Dickinson State University in Dickinson, North Dakota and a Ph.D. in Physical Chemistry in 1979 from North Dakota State University in Fargo, North Dakota.

EXECUTIVE PROFILE

Karen B. Paul **Manager** **Measurement**



Karen B. Paul is currently the head of HR Measurement for 3M. Her focus in this role is to lead the Measurement Center of Expertise in support of global, regional and local business goals, needs and requirements. She is responsible for the creation and execution of global strategy for Assessment & Testing, Competencies, 360s, Organizational Survey Research and Executive Assessment.

Previous to this role, Karen was the Talent Management Manager for three of 3M's seven global markets. In this role, Karen also led the redesign of the Career section of mmm.com. Prior to coming to 3M, Karen was Manager of Research & Development for Organizational Assessment Systems a division of National Computer Systems (NCS currently Pearson). Karen received her Ph.D. in Industrial/Organizational Psychology from Bowling Green State University where her areas of expertise include statistics, psychometrics, and survey measurement.

Karen's current research interests include early assessment of high potential, the impact of work place climate on innovation, and employee engagement. She has presented her research at national conferences, including the Conference Board, Society for Industrial and Organizational Psychology (SIOP), Academy of Management, American Psychological Association (APA), American Psychological Society (APS), Human Resource Planning Society (HRPS), Institute for Corporate Productivity (i4cp), and the American Society for Training and Development (ASTD). She has also been published in several professional journals, including the Journal of Applied Psychology and Training & Development. Karen is a former Chair of the Mayflower Group Board of Governors and is currently on the Advisory Board for i4cp. Her work with 3M on Employee Engagement is being profiled as a Best Practice Case Study in a upcoming Conference Board publication. Karen also has a new book chapter coming out with Paula Caligiuri (Rutgers) on Selection in Multinational Corporations in the "Handbook of Employee Selection" (eds. Farr & Tippins) published by Erlbaum.

EXECUTIVE PROFILE

Paul Groth
HR Director
Workforce Planning



Paul Groth is the Director of Workforce Management and Planning. Paul and his team are responsible globally for human capital planning, analytics, performance management processes, corporate succession planning and talent reviews, health of organization review, management of the global contingent workforce, organizational design and change management, and AAP.

Paul has extensive HR leadership experience which includes, Talent Management, Globalization of HR Business Processes, HR e-Productivity, HR Sourcing and Six Sigma. He also held HR leadership roles in several 3M businesses including assignment in the Caribbean region, Mexico and Central America.

Paul has a Masters Degree from IPADE (Business School in Mexico affiliated to Harvard University) and a Masters of Science (Education) from the University of Southampton (England). Paul has broad US and International experience in HR, including roles in planning & development, HR generalist, e-Productivity and outsourcing,