



What is TrendScope?

June 2001

[past issue](#)

Volume 2 • Issue 6

OTHER ARTICLES**Subscribe FREE!**

your email

go!

**Search all issues****Interactive Poll****Discussion Forum****Products & Tools****Past Issues****Mobile Channel****Print Entire Issue****Best Practices**[◀PREV](#) | [HOME](#) | [NEXT▶](#)**When Jobs Disappear**

The Hewlett-Packard Approach

By [Bill Harris](#)

Summary: Two major paradigmatic shifts are affecting individuals in the workforce: the end of lifetime employment, and the shortening of the career ladder due to flatter organizations. In the first part of a two-part article, learn how Hewlett-Packard helps people and the organization deal with issues of employment security.

The career dream used to be to find a company where you could work for life. If you were good, you'd get promotions that raised your pay, gave you more responsibility, and gave you more people to manage. Success was measured by how far and how fast you rose on the corporate ladder.

That dream has become a fantasy. Losing one's job has become commonplace. With flatter, leaner organizations, promotions, even for key individuals, are no longer a given.

How should companies manage in these times? How should employees manage? While that's an individual decision, it's informative to see what others have done. [Hewlett-Packard Company](#) has been a leader in blending employees' needs with those of the company. Part one of this two-part article describes how HP deals with the displacements caused by the loss of jobs, while part two focuses on HP's approach to the shortening career ladder.

HP used to be known as a layoff-proof company. Not only was the company successful, but it adhered to the [HP Way](#), a philosophy that led it to take good care of its employees. Has that changed? Have contemporary developments turned HP into "just another company"?

Mike Nichols, Director of Global Talent Acquisition and Workforce Programs, says, "We did away with the 'job security' phrase many years ago," as HP realized that they could no longer guarantee that specific jobs would still be needed in the future. "Now we speak of 'employment security based on performance as well as strategic business needs.'" Employment security refers to an employee having some job, not necessarily the same job as before. HP focuses on keeping people, but the focus is more balanced, looking out for the company's needs as well as the individual's.

It's apparent that Nichol's focus isn't simply on avoiding or managing layoffs. Instead, he focuses on talent management and ensuring HP has the people it needs for the future. That includes identifying the types of talent HP will likely need, matching those to the people they have in the organization, and helping to develop and to retain those with the desired skills.

[And Now for the Good News: Ford Motor Company's Leadership in Corporate Social Responsibility](#) (Jul. 02)

[IBM Expands Eldercare Benefits](#) (Jul. 02)

[The Value of Ethical Business: United Supermarkets](#) (Jun. 02)

[Sun Part II: Sun Says Survey Will Help It Remain Great Place To Work](#) (May 02)

[Mom-support Programs Gain Traction](#) (May. 02)

[Sun Switches to Six Sigma System for Problem Solving](#) (Mar. 02)

[Bringing Fun Back to Work: GE's Transport Systems Global Signaling Fun Team](#) (Mar. 02)

[Entergy Corporation Creates "Propelling Careers" Tool to Gauge Leadership Development Progress](#) (Dec. 01)

[Abbott Laboratories' Leadership Development Program Requires Community Service Component](#) (Dec. 01)

[Empowering Employees After the Attacks of 9/11](#) (Nov. 01)

Maximum of 10 past articles showing.
[Click here to view all.](#) >>

No matter how good the company, today's pace of change does lead to the elimination of organizations and the jobs it contained. When HP has to close a business today, its first concern is talent management. "We definitely don't want to exit talent that we need in the future for our overall success."

The second concern is time. "If we do have individuals within that population we absolutely need for the future, let's ... try to identify a position and place them in a position in a different business, in a different function, in another operation, whatever." Such job dislocations are stressful, and HP believes that managing such transitions in haste costs HP and the employee. Nichols emphasizes that everyone needs – and gets – this breathing space. "Is everyone treated the same? No. Is everyone treated fairly? Yes."

When you close a business, you may not need all those skills in the future. Nichols speaks of "severance with sensitivity," as they provide displaced people the opportunity – often over a span of 60 to 90 days - - to look inside as well as outside HP for their next job, and provide them with a support net, including severance if they leave HP.

"If, at the end of the day, it just doesn't seem there is that match made in heaven, [it's important] to have the honesty and fortitude to have a very frank discussion with the employee. At the end of the day, even though those people are exiting HP, we want them to feel that they have been treated with great respect."

For companies wanting to do a better job at talent management, especially during downsizing, Nichols provides his "Top Three" list:

- "You do not want to exit talent ever that you feel you will need tomorrow. A rigorous talent review, I think, is extremely important."
- "Understand the impact on the individual. Make sure that you do treat them with sensitivity, that you treat them with integrity, and that you provide them with what's necessary to continue their career."
- Consider "the employees that are left behind."

Why does HP do all this, even when it's costlier? It's good for HP. Nichols says HP has less than half the attrition of comparable companies, and they now know much better how employees' skills match HP's needs. It's also good for the employees, because it treats them with honesty, dignity, and sensitivity, no matter the outcome of such a job displacement. In other words, as Nichols says, "We position ourselves as a 'winning e-services company with a shining soul.'"

 [Email this](#)

 [Print this](#)

[◀PREV](#) | [HOME](#) | [NEXT▶](#)