

As Seen in the  
2001 Andersen Guide on  
**HUMAN CAPITAL**

# Flexible HUMAN CAPITAL

How to Build a Resilient Organization with  
Spot-Market Expertise and Just-in-Time Talent

Endorsed by Andersen as a  
**PREFERRED SOLUTION PROVIDER**  
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# Flexible Human Capital

## How to Build a Resilient Organization with Spot-Market Expertise and Just-in-Time Talent

Resilience is the ability to recover from or adjust to misfortune or change. Becoming a resilient organization means incorporating a diverse set of strategies — both people-centered and operational — designed to create elasticity. Corporate restructuring has accelerated the trend toward project and team-oriented structures, making the use of independent consultants and interim managers an essential strategy. Unfortunately, most companies have not yet developed a human capital strategy that enables this resilience.

In the recession of the early '90s, companies learned a lot about resilience. They adopted "just-in-time" techniques to reduce the fixed cost of inventory and deployed supply-chain management to gain more control over production. They also outsourced many non-core functions like mailroom and janitorial services to minimize obligatory overhead. But as business boomed, amnesia set in. Companies added more and more

people to handle the growth. When the growth stopped, the bloated employee ranks became all too apparent, and layoffs were inevitable. The toughest thing to cut is people; ask any CEO who has ever faced a layoff.

How do you build resilience now and prepare your organization to retain that resilience through good times and bad? The answer is by developing a flexible human capital strategy — one that leverages just-in-time talent and independent expertise.

"There is inherent flexibility in using just-in-time talent," says Marion McGovern, President and Co-Founder of M<sup>2</sup> Inc., the nation's leading broker of independent consultants. "Independent consultants provide spot-market expertise, when you need it, for only as long as you need it." Companies today can leverage this new brand of expertise to deliver results on strategic projects while reducing fixed labor costs and enhancing resilience.

## INDEPENDENT CONSULTANTS DELIVER RESULTS

From high-tech to financial services, consumer products to healthcare, even to such “old economy” industries as manufacturing and insurance, there’s a clear trend towards using independent experts in business. They integrate with salaried work teams, sometimes staying for only a project, sometimes the duration of a product line. They help ease companies through transition, add new energy to stalled projects, provide spot skills and interim management assistance — and are a key component of many strategic initiatives.

This is especially useful for companies undergoing change from shifts in the economy, whether accelerated growth or sluggish downturns. McGovern says, “With the recent U.S. economic downturn after such a long period of growth, our clients began telling us they were under even more pressure to deliver results, yet had fewer resources to do so. Independent consultants, focused on delivering targeted, project-based results, are the perfect solution.”

Call it a form of outsourcing, in-sourcing, innovative talent acquisition, or intellectual capital management, it’s just plain smart business. This talent base should form the cornerstone of any human capital strategy — and is synonymous with a resilient organization.

## FINDING THE BEST INDEPENDENT RESOURCES

In recent years, there has been an unprecedented boom in independent consulting, with a full spectrum of business professionals leaving traditional salaried positions to become

“M<sup>2</sup> makes my job easier! Accel’s clients need access to the best consulting and interim executive talent in the Silicon Valley — fast. M<sup>2</sup> is one of the few resources we can count on to deliver this critical expertise to our portfolio companies.”

Teri McFadden

Senior Recruiting Partner, Accel Partners

independent consultants, contractors, and “free agents.” But the challenge for companies is in identifying and deploying the best independent talent for their specific industry and functional needs.

As the nation’s leading broker of independent consultants, M<sup>2</sup> makes finding this top talent easy. M<sup>2</sup> has cultivated an exclusive network of over 8,000 highly experienced independent consultants and senior-level executives and managers. These consultants are seasoned professionals with an average of 15 years experience, and all have been pre-screened and qualified for their ability to deliver results.

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## SITUATIONS THAT REQUIRE RESILIENT SOLUTIONS

- Your company is going through a merger, IPO, or reorganization needs special skills
- You’re downsizing, still need to get the work done, and hiring full-time is not an option
- You need expertise you don’t have in house
- Senior talent could provide wisdom and stability in an uncertain or new arena
- A top employee needs a mentor to grow to the next level
- You want to build a new competency
- A key manager abruptly departs
- You just need an extra set of hands
- You want to hire a full-time candidate but critical projects need to move forward in the interim
- An initiative needs extra resources for upfront development
- Fresh outside perspective may be just what your project or company needs

## COMPANY PROFILE

At M<sup>2</sup> Inc., we know that access to proven talent to define, manage, or implement your business initiatives is one of the most important components of your human capital strategy. We help you define your business problem or opportunity, then present a top choice of highly qualified independent professionals who can help you achieve your desired results.

For more than 13 years, M<sup>2</sup> has been helping companies from Fortune 500 organizations to startups achieve their strategic business goals. M<sup>2</sup> offers an unparalleled high-touch process and a focus on seasoned experts in the core business disciplines: top management and strategy, marketing, human resources, finance, operations, and information technology.

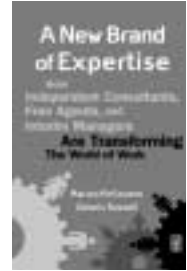
M<sup>2</sup> has been instrumental in pioneering the widespread acceptance of independent consulting and interim management across all businesses — and at companies like Charles

Schwab & Co., Accel Partners, Kaiser Permanente, SGI, and The Clorox Company.

Marion McGovern, President and Co-Founder of M<sup>2</sup>, has been at the forefront of this trend and recently authored *"A New Brand of Expertise: How Independent Consultants, Free Agents, and Interim Managers are Transforming the World of Work."*

M<sup>2</sup> has headquarters in San Francisco and serves clients nationwide with regional offices in Silicon Valley, Boston, and Los Angeles.

For more information, please visit: [www.msquared.com](http://www.msquared.com) or call 888.818.2505.



## CORE FUNCTIONAL EXPERTISE AND TYPICAL PROJECTS

### TOP MANAGEMENT

- Turn around a losing division
- Manage a start-up or crisis situation
- Execute a merger or acquisition
- Assess international opportunities
- Serve as an interim CEO, CFO, COO, or CIO

### MARKETING

- Analyze market data, products, or pricing
- Launch a new product or enter a new market
- Prepare a strategic business or marketing plan
- Develop/implement public relations programs, special events, or collateral material

### HUMAN RESOURCES

- Develop employee communications materials
- Create and implement employee retention programs
- Manage downsizing, lay-offs, or outplacement
- Recruit and staff a new division
- Integrate compensation structures post merger

### FINANCE

- Prepare for an audit
- Create a new financial organization or merged entity
- Conduct financial analysis, models, or plans
- Raise capital or assist with new financing
- Manage investor relations function

### OPERATIONS

- Set up a contact/call center operation
- Analyze supply chain management issues
- Develop/implement business process re-engineering
- Manage an office relocation
- Streamline manufacturing and distribution

### INFORMATION TECHNOLOGY

- Conduct a strategic IT audit
- Develop and execute e-commerce capability
- Prepare a systems business plan
- Evaluate or implement new technology
- Project manage a systems integration or conversion



delivering the power of independent expertise™