



# Perth's Leadership in Human Capital Alert

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## PERTH'S LEADERSHIP IN HUMAN CAPITAL ALERTS

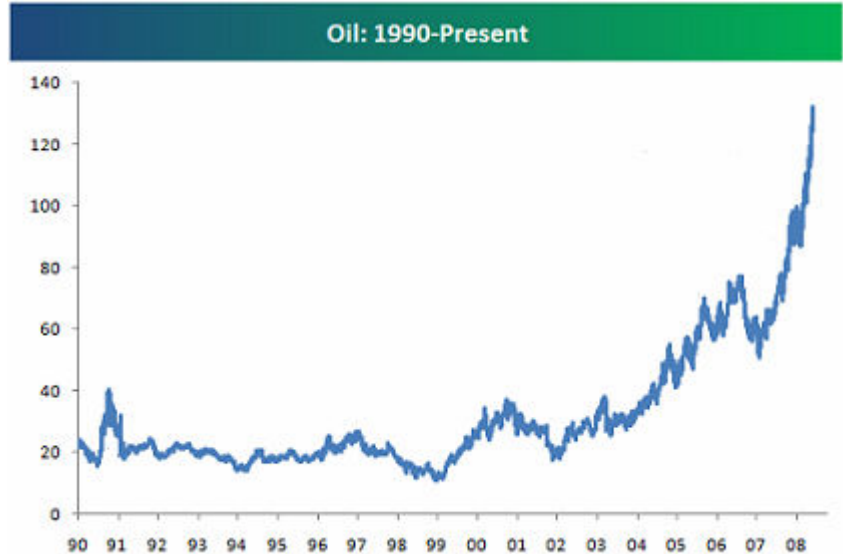
Valuation and profitability are intrinsically linked to the behavior of an organization's people. The "Leadership in Human Capital Alerts" series aims to provide Human Capital executives with suggestions and recommendations on how to respond to relevant breaking market news. It is critical for an organization to utilize its human capital productively to respond to market events in a way that enhances valuation and profitability.

[www.perthleadership.org](http://www.perthleadership.org)

## Facing Down the Oil Crisis – The Role of HR and Leadership Development

### Oil Fight Back – Three Key Recommendations:

- Prepare an oil-focused human capital action plan on implications of the oil crisis for your company's human capital strategy and key actions to be taken
- To improve your human capital's capability to respond to the oil crisis, develop and implement a business acumen assessment and development program for managers and executives
- Develop new oil-focused succession plans and planning



Source: <http://seekingalpha.com/article/78326-oil-price-chart-since-1990?source=mb>

**Background:** The current oil crisis will have dramatic impacts on companies in both the short- and the long-term. It is already disrupting the business models of most companies and industries. This is a situation that HR and LD should address rapidly and decisively to show that they are part of the solution.

### What is the Role of HR and LD?

- HR/LD must take a leadership role in exploring the use of human capital as part of the solution
- It must put forward practical and actionable recommendations
- It must act quickly and decisively

**Three Key Recommendations:** We see three key recommendations that all leaders should consider seriously:

### 1. Prepare an oil-focused human capital action plan on implications of the oil crisis for your company's human capital strategy and key actions to be taken

The plan should cover selection, recruitment, onboarding, development and assessment; the aim is to contrast what is happening at present and the areas that need to be changed in order to meet the challenges posed by the oil crisis.



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## PERTH LEADERSHIP INSTITUTE

Perth Leadership has developed an entirely new approach to human capital management and executive development which focuses on improving the business acumen and performance of managers and executives.

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### **2. To improve your human capital's capability to respond to the oil crisis, develop and implement a business acumen assessment and development program for managers and executives**

The program should focus specifically on assessment of business acumen and on its development to prepare managers and executives for the new financial challenges posed by the oil crisis.

### **3. Develop new oil-focused succession plans and planning**

Succession plans and planning should be reviewed and reworked to stress business capabilities that will have greatest impact in company's ability to increase capacity to address the crisis and to choose those managers most suited to confront these issues

**Other Recommendations:** The recommendations below are purely suggestions. They are designed to promote thinking, solutions and actions on the issue so as to identify actionable responses.

#### STRATEGY

- Distribute plan to CEO and business heads
- Prepare an HR impact statement for the company
- Organize an "oil literacy" seminar for high potentials and other leaders

#### DEVELOPMENT

- Run a business simulation on an aspect of the oil crisis
- Introduce business acumen approaches integrated with oil issues into leadership development programs
- Organize an oil crisis human capital workshop
- Develop business acumen courses in corporate universities aimed specifically at oil crisis and addressing it creatively

#### ORGANIZATION

- Establish a human capital crisis team to address the oil crisis issue
- Prepare recommendations for changes to talent management to address crisis
- Hire some people with a background and understanding of oil industry in certain key positions.

#### SERVICES AVAILABLE

- |                        |                     |
|------------------------|---------------------|
| Seminars               | Coaching            |
| Team Development       | Succession Planning |
| Individual Development | M&A Advice          |

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