



## Welcome to Fulcrum Search Science Inc.'s November 2008 newsletter - Fulcrum Forum!

Fulcrum Search Science Inc. is a Toronto-based executive search and human capital management firm. At Fulcrum Search Science Inc., **our vision is to be your preeminent source of professional and management talent.**

**Our mission is simply "Searching...to add value and improve your performance."** And we have assembled the strongest team in our 36 year history to serve your needs. Give us a call, and we'll show you how our motto "**Leverage where it matters most - search, assessment and process control**" has driven our assignment completion rates to three times the industry average.

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## Economic Review & Forecast

*Scotia Bank Group, Global Economic Research*

### Retrenchment

A synchronized economic downturn is unfolding globally. Its roots are in the multi-year U.S.-led housing downturn and subsequent subprime mortgage crisis, in addition to this year's record upward spike in energy and food costs that has undercut purchasing power around the world. And the already weakened outlook has been subsequently compounded by an intensifying 'financial sector crunch' — sharply lower values of securitized mortgages, mounting capital losses and bankruptcies — that is reining in credit, the fuel for international growth.

Since mid-year, the sharp plunge in both stock markets and commodity prices highlights the rapid deterioration in both the American economy and global economic prospects. And while policymakers, primarily in the United States, but increasingly throughout the G7, are actively intervening to stabilize the financial system, the short-circuiting of the credit-creation process virtually guarantees that the U.S.-led, but increasingly global downturn will be deeper and more protracted.

With this year's problems more back-end loaded, international economic activity should still expand by more than 3½% this year, a comparatively good performance. However, the accelerating loss of momentum should see global output growth drop to around 2½% in 2009 — an 8-year low. Prospects will remain on the low side until there are signs that the financial system has stabilized and is again able to support renewed credit expansion and economic growth.

## Recent Executive Level Appointments

**Position:** Vice President, Marketing, for a global leader in the Entertainment Industry  
**Category:** Sales & Marketing

**Position:** Director of Construction Real Estate and Design for a Well Known International Retailer  
**Category:** Technical & Logistics

**Position:** Manager of Procurement - Utilities Industry  
**Category:** Technical & Logistics

**Position:** Director of Pricing - Recognized Retail Organization  
**Category:** Technical & Logistics

## Star Candidates

### Sales & Marketing

**VP Sales – Industrial Products – MBA, M. Eng., P. Eng.:**

The United States remains at the epicentre of the economic and financial problems dragging down global output growth. U.S. domestic spending, which had been steadily weakening even with the Q2 fiscal boost, is now contracting, as the tightening in credit availability further exacerbates the retrenchment already evident in housing activity and consumer spending. The deleveraging of the financial and household sectors will further dampen confidence, and usher in a prolonged period of decreased spending and increased savings.

Businesses are aggressively paring costs, investments and employment in response to the sharp downward plunge in sales, credit availability and earnings. Furthermore, the recent support from improving net exports that had enabled the U.S. economy to post even modest gains is about to end as the slowing in overseas growth triggers a sharper slowdown in American exports.

It will take time before the series of 'rescue' packages become fully operational and help stabilize the credit sensitive sectors of the economy and markets. In the meantime, high inventories of unsold homes and durable goods, especially motor vehicles, are likely to keep downward pressure on prices and production, thereby reinforcing a multi-quarter period of economic retrenchment extending well into 2009. As a result, U.S. output growth is expected to expand an average 1.3% this year and contract 0.6% next year.

Canada faces an uncertain future in light of the rapidly deteriorating outlook for the U.S. and global economies, the continuing strains in financial markets worldwide, and the increasing erosion in consumer and business confidence. This year's modest 0.5% average expansion in output is expected to be followed next year by a contraction of 0.2%.

The deteriorating conditions south of the border and abroad are having a pronounced effect on the volume of exports and commodity values. In particular, the continuing slide in U.S. housing and retail sales, especially autos, will likely result in even deeper production cuts in manufacturing, primarily in the large export-sensitive production centres in Ontario and Quebec. Business investments are expected to be dialed back in view of the heightened uncertainty surrounding the outlook, the credit availability problems cropping up around the world, and the sharp drop-off in profitability.

Scotia Capital Economics  
From the Global Economic Research Market Trends Newsletter  
Printed with Permission  
[http://www.scotiacapital.com/English/bns\\_econ/bnsmt.pdf](http://www.scotiacapital.com/English/bns_econ/bnsmt.pdf)

## Management Minute

### Conflict Between You and Others

by Cy Charney, President, Charney & Associates Inc.

*If your neighbour does you some harm,  
do not pretend you are still friends. . . . Do not hate him, but reprove him for  
what he did and through this peace can be re-established.*

~ Rashbam, Biblical Scholar

Conflict about ideas is good. It creates new opportunities to explore options that can lead to improvement. But conflict between people is harmful. It creates tension, ill health, and a diversion away from the daily task of customer service. Here are some strategies for dealing with this problem quickly and professionally:

#### 1. Before You Take Action

- Evaluate your ability to resolve the issue. If this is something you have difficulty with, as most people do, seek the advice of someone you trust. Perhaps he will do a role-play with you to hone your skill at handling the situation.
- Deal quickly with personality conflict so that the problem doesn't mushroom or become a situation you condone.
- Ask the person with whom you have a "beef" for permission to deal with the issue. Simply approach him and say, "Could the two of us sit down and discuss our differences? I'd really like to do that." An acceptance will set the climate for a collaborative, adult-to-adult problem-solving session.
- Find a neutral venue where your colleagues cannot observe you.

- Full P&L responsibility for a \$250M Business Unit of a Fortune 100 company.
- Success driven by energy, passion and infectious enthusiasm.
- Strong team builder, problem solver and leader, having managed several hundred staff.

Interested? Please contact:  
[Bruce McAlpine](#), CPC, President

#### VP Sales and Marketing:

- Proven track record in retail, CPG and business building.
- Very innovative and creative.
- Strong leadership and team building skills.
- High energy - readily thinks outside the box.

Interested? Please contact:  
[Chris Twigger](#), Vice President

## Finance & Accounting

#### Sr. Manager/Director, Financial Reporting:

This individual is currently with one of the big 4 CA firms and has the distinction of having received exceptional ratings every year over the past several years. Coupled with a strong work ethic and outstanding technical skills is a winsome personality. Technical abilities include being accredited in US GAAP and IFRS.

Interested? Please contact:  
[Ken Stouffer](#), CPC, Vice President

## Technical & Logistics

#### Global Strategic Sourcing Manager MBA, BA:

This exceptional Sourcing Specialist has led global teams within a fortune 500 Tier 1 Automotive company and a large European based service organization. This individual is a true leader and a highly effective negotiator that creates win-win situations. Key accomplishments include:

- Collect your thoughts so you are well prepared. Make some notes so you don't forget what you intend to say.

## 2. At The Meeting

- Thank the other person for working with you to solve your differences.
- Establish the climate for a good interchange. Be constructive and positive in your words, voice tone, and body language. Point out that the conflict is not good for either of you, and that you are determined to resolve it.
- Make the point that there are two sides to every story, and that you are probably the source of the problem too.
- Invite the other person to state the issues first. If he/she does, do not interrupt. Take notes if necessary. Listen to what he/she is saying and how he/she is saying it.
- Summarize the other person's points to show that you understand. Show empathy. A statement such as "I would feel like that too" will go a long way to reducing the anger, so you can both get on with solving the problem.
- If the other person declines to state the problem, state your case. Be firm and clear. Maintain eye contact.
- Be specific about the things that bother you. Don't assume the other person knows what you are thinking or feeling.
- Give examples of the things that upset you. Don't exaggerate or stretch the truth. Avoid using the words "never" and "always."
- Don't use inflammatory language. If you do, the person will respond to your anger rather than to the content of your message.
- Avoid labels that tend to simplify the issue. Phrases such as "men or women do that" will increase the emotion and tension, and will prevent a rational discussion of the issues.
- Be assertive. Use "I" statement instead of "you" statements. Phrases such as "I feel angry" are more likely to encourage the other person to want to offer a solution than "you" segments. Comments such as "You did this or that" will tend to make the other person defensive.
- Don't go back in history. Stick to current events.
- Once you both agree on the problem, move on to solutions. Offer ideas about what you will do to address his concerns. Then you can ask what he will do to address your issues. Involving your colleague in problem-solving will increase his commitment to resolving the problem.
- Agree to disagree where no resolution can be found. Indicate your respect for the other person's position even if you do not agree with it. But don't give up without trying creative ways of solving each others problems. Keep looking for creative solutions by using "what if?" statements. Call a time-out if necessary. Some issues are difficult to resolve in one session. Consider taking a break and revisiting the issues with new perspectives.
- Conclude the meeting with a summary of your discussions.

## 3. Afterwards

- Be mindful of issues raised at your meeting. Live up to commitments, and express appreciation if others live up to theirs.
- If the issue is not resolved, consider inviting a third party to intervene on your behalf.

Cy Charney, President of Charney & Associates. (905-886-5606, [www.askcharney.com](http://www.askcharney.com)), is a leading Canadian management consultant focusing on organizational performance improvement.

- Implemented a global supplier rationalization strategy for the service parts Team reducing average lead times by 40% and increasing Revenues by 3 million.
- Developed a one stop supplier for containerization programs making the design and build process of racks easier to manage and more cost effective, which resulted in cost savings of 1.5 Million.
- Handled budgets ranging from \$100 to \$500 Million dollars world wide.

This highly effective and results oriented leader has grown through the ranks in operations and production within General Motors management trainee program.

Interested? Please contact: [Silvio Rossi](#), CPC, Vice President

### Strategic Manager:

Strategic mid-level manager involved in sustainable energy initiatives with an MBA, P. Geo.

Interested? Please contact: [Joe Braccia](#), Senior Consultant

### Real Estate, Construction & Design Leader:

This trilingual, horsepower driven individual has multiple industry experience including QSR and Finance. He has coached and mentored diverse teams and is a champion of corporate values!! He is strong on both process and people.

Interested? Please contact: [Carol Ellen](#), Consultant

## Feature Article

### Lessons from Previous Recessions

by Bruce McAlpine

Last week I attended an Executive Search Summit at the Princeton Club in New York City, along with one hundred delegates from Europe, Asia, Australia and all over North America. While the overall conference theme was "Reshaping Search Firm Profitability", one of the sub-themes was dealing with the current economic downturn. Three key thoughts emerged:

1. Downturns are inevitable, and actually fairly healthy for the economy. A quick review of newspapers from the early 90's and 2001-02 reveals that stories of "the end of the world as we know it" are actually fairly similar, and quite exaggerated. Sure, the economy is slower, and sure there are lay-offs that affect individuals in very personal and distressing ways, but the downturns are relatively short lived, and the companies that survive actually emerge stronger and are better poised for growth in the years of prosperity that follow.
2. The fundamental human resource challenge that the developed world is facing (the aging of the labour force) has not changed. In North America, over 80 million Baby Boomers will begin to reach retirement age, beginning next year. Gen X is just over half the size of the Baby Boomer generation. Stats Canada projects that within 5 years, more workers will be retiring from the Canadian labour force than new employees will be entering it. And, 60% of all new jobs will require skills that are possessed by only 20% of the population. Clearly, the War for Talent is only just beginning.
3. On the Human Capital front, this is the time to take advantage of opportunities that present themselves in the market. Companies will be using the slowdown as an excuse to trim fat, so lots of talent will be coming onto the market, and readily accessible on the Internet. However, the best talent will still be employed. Careful hiring will become more important than ever, along with thoughtfully developed retention strategies that cater to the differing career aspirations and motivational characteristics of the Gen X's and Y's. Make sure you are as careful picking your company's Executive Recruiter as you are picking your personal Financial Advisor. As Red Adair (the famous oil well firefighter) said, "The only thing more expensive than hiring a professional is hiring an amateur."

*Bruce is President of Fulcrum Search Science Inc.*

## Legal Corner

### LEGAL / HR UPDATE: Safe At Work Ontario sector plans 2008/09

*by Yosie Saint-Cyr, LL.B. Managing Editor at HR Infodesk.com---Canada Payroll and Employment News*

The Safe At Work Ontario strategy includes the development and implementation of sector-specific enforcement strategies. To inform interested stakeholders and organizations, the manner in which the Ministry of Labour (MOL) will enhance health and safety compliance in each of the sectors, the Ontario Ministry of Labour has prepared sector plans.

The purpose of the Ministry of Labour's new compliance strategy is designed to improve the health and safety culture of workplaces and reduce workplace injuries and illness. As part of Ontario's ongoing efforts to help reduce workplace injuries, inspectors are "blitzing" industrial, health care, construction and mining workplaces and/or sites over the next month and throughout the year, to help eliminate specific hazards.

As described by the government, each sector plan contains a brief description of some of the main topics that an inspector may address in the workplace.

While each workplace is unique and the circumstances presented to an inspector may result in a different inspection focus, the sector plans are a general overview to the MOL's focus within the sector.

- The Industrial Sector plan can be accessed [here](#)
- The Health Care Sector plan can be accessed [here](#)
- The Mining Sector plan can be accessed [here](#)
- The Construction Sector plan can be accessed [here](#)

By Yosie Saint-Cyr, LL.B., Managing Editor at HRinfodesk.com

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## Logistics / Supply Chain News

### State of Logistics The Canadian Report 2008

Productivity encompasses far more than the old-fashioned concept of a plant's unit-per-labour costs. As competition becomes more global, innovation is moving from a firm-to-firm level to a supply chain-versus supply chain perspective. Incremental competitiveness advantage is now achieved when all the supply chain players are synchronized and working together.

Canadian manufacturers, retailers, wholesalers and logistics service providers need quality information on logistics and Supply Chain Management (SCM) trends, as well as performance indicators, to provide best practices and benchmarks, justify investment and innovation, monitor industry performance and become more competitive in a global value chain context.

Since 1982, the Council of Supply Chain Management Professionals produced a state of logistics report in the U.S. There has never been a complete overview for Canadian firms to benchmark themselves and learn about supply chain partners, competitors and sector trends.

In that context, Supply Chain & Logistics Association Canada (SCL) has partnered with Industry Canada and Canadian Manufacturers and Exporters (CME) to launch the first Canadian State of Logistics Report.

[Read more...](#)

*Source: Supply Chain & Logistics Journal Fall/Winter 2008. Article: State of Logistics The Canadian Report 2008.  
Author: SCL Research Committee pg9 - pg11*

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