



The Laso Corporation
Bringing People Together

Laso eLetter

June 2009: Vol. 9 - Issue 1

Dear Laurie,



As my very funny sportswriter husband tells me, no one has a crystal ball except the Chicago Blackhawks (goaltender Cristobal Huet)! If I did have one, I would tell my clients when to start hiring again, and my candidates when they will find that job.

No psychic powers here, but we can use very real powers of analysis to observe business cycles past, future and present.

This edition of the Laso e-Letter looks at *A History of Recession in the U.S.* to remind us that for every down there is an up. Every recession pushes forward-thinking companies to plan ahead of the curve to catch the upswing as it starts. The data we see says that the time to plan is NOW.

One key benefit of a slow economy is the time to assess your team and how it fits into the future success of your business. Assuming the right folks are in place to move into

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Time to hire for the coming recovery? YES!

It's not yet summer, and Chicago football fans are buzzing over a new quarterback whose impact won't truly be measured until late fall.

Yet every armchair sports fan agrees a team needs to stay current on up-and-coming talent. Scouting the draft, evaluating free agents, and negotiating trades are business as usual for pro teams. College recruiting runs year-around, and even high school coaches eagerly eye grade school players.



Is it time for business to do the same?

With the latest national unemployment numbers nearing nine percent, few employers appear eager to hang onto current staff, let alone plan for future expansion.

Undeniably, the current economy is very tough and still may not have hit bottom. But some commentators are starting to describe the economy as "less bad," and some indicators back up these glimmers

your senior management, you need to look further at your succession planning and consider who will replace those folks. *Who's in the middle?* addresses why an organization should develop from the bottom up.

Directly related to succession planning is our discussion about *Hiring for the Upcoming Recovery*. The April 22 edition of Vistage Voice published by Vistage, the world's leading chief executive organization, says the economic confidence of Main Street CEOs is on the rise, based on a survey taken during the first week of April, 2009. The survey compiled responses from 2,177 CEOs of small to mid-sized U.S. companies. Rising CEO confidence suggests that business leaders need to think now about how to hire ahead of their competitors to take the competitive advantage when the market turns. To help hiring managers quickly put a plan in place, we review John E. Johnson and Anne Marie Smith's book [60 Minute Strategic Plan](#).

We wrap up this edition with an overview of cloud computing - what it is and some of its benefits. Cloud computing is one of the biggest trends for IT departments and business leaders to consider as they seek new and creative ways to grow scale without increasing costs.

I'm excited about the upcoming recovery! Laso has survived two down cycles, and I have survived three as a recruiter. Even though a down cycle hurts, I have found that, if used wisely, it can be a time of investigation, revamping long-term plans and creating opportunities to become stronger than before.

One innovation that has already come out of this down cycle for Laso is a new line of business! Laso now creates events that

of optimism:

- The Conference Board announced May 21 that leading economic indicators increased 1.0% in April, the first such increase in seven months
- The Conference Board also reports consumer confidence in May at its highest level in eight months, with the index rising to 54.9 from 40.8 in April
- While manufacturing continues to decline, the rate of decline is moderating, notes The Institute for Supply Management.
- Actual good news on the home front: an increase of 3.2% in the pending home sales index in March 2009.
- The DOW, a leading indicator for recovery, has gained nearly 30% since its low on March 9

Some cautious but reasoned predictions point to 2010 as a year of recovery:

- Fed Chairman Ben Bernanke has mentioned the "reasonable prospect" of recovery in 2010.
- The National Association for Business Economics looks for GDP to rise by 2.4% over the year 2010.

Statistics and predictions, while useful, are never perfect. No one truly knows exactly when the bad economic times will end. But end they will.

THE HISTORY OF... Recession in the U.S.

A little perspective never hurts. The current recession is deep and painful, but it is also simply the latest in a long line of economic ups and downs since the U.S. began.

Recession.org lists 22 downturns, including the present one, in U.S. history. Here's a look at some of the low points in our nation's economic timeline:

Hitting the panic button

Early recessions had a more interesting name, at least. The *Panic of 1797* was sparked by deflation in the Bank of England.

The *Panic of 1819* was tied to a big drop in agriculture.

The *Panic of 1837* began largely because people were spooked by the nation's move to paper currency.

serve senior management strategic planning as it relates to IT. Let us know what you would like to learn more about, and we will put something together to keep you informed!

Here's to continued success,
Laurie

Who's in the Middle?

Is your company succession plan top-heavy?

A 2008 nationwide survey of over 2,500 HR executives found that while 75 percent of those surveyed perform succession planning, 63 percent of those focus on the senior level.

It's important to plan for succession at the top, but finding good mid-level people to fill spots under the C-suite vacated by those who have moved up or on is equally vital to your organization.

Think of a mid-level succession plan as a key person insurance policy - it keeps you nimble enough to reshuffle for a new business opportunity or regroup after the sudden loss of a significant up-and-coming player. Even during a bad economy, mid-level management promotion and recruitment plans are an important planning tool. Succession plans that target the middle help you meet future long term goals and fill the talent shortages that will occur as baby boomers retire.

You might be surprised at the benefits of solid, mid-level succession planning:

Sometimes Congress doesn't help

The Embargo Act of 1807 devastated the U.S. shipping industry, bringing huge job loss and the *Depression of 1807*.

The Coinage Act of 1873 depressed the price of silver and contributed to the *Panic of 1873*.

More panic, from overseas

When the railroads became big business here, European economies invested, but when big overseas speculators pulled out, the U.S. economy suffered. The *Panics of 1857 and 1893* are examples of our nineteenth century ties to global financial partners.

War brings boom and bust

World War II ultimately brought us out of the *Great Depression*, but a short recession followed its end in 1945. Recessions also hit after World War I in 1918 and the Korean Conflict in 1953.

Banks are big players

The failure of Jay Cooke & Company, then the largest bank in the country, helped lead to the *Panic of 1873*.

The *Panic of 1907* was sparked by the October 22, 1907 run on the Knickerbocker Trust Company.

Just a normal contraction

Some more mild contractions are seemingly a natural part of the economic cycle, such as recessions at the end of the 1940s and 1960s.

OIL!

Painful recessions in the 1970s and 80s first revealed our vulnerability to the price of energy. The October 1973 OPEC oil embargo and 1979 Iranian Revolution both ran up the price of oil and helped run down the U.S. economy.

Triple whammy

The *early 2000s Recession* grew out of a triple threat: the collapse of the dot.com bubble, major accounting scandals, and the 9/11 attacks.

The "Greats"

The longest and deepest of all recessions, the *Great Depression of the 1930s*, deserves its name in every respect. By 1933, bank failures were at 50%, unemployment at 25% and the DOW down by 89.2%.

Some call the current recession the "Great Recession" and compare it to the 1930s. The statistics don't necessarily agree: by March 2009, .5% of banks had failed, unemployment was at 8.5%, and the DOW, while down dramatically by 53.8%, was in better shape than

- Gain insight into your existing talent and identify potential talent gaps
- Improve cost effectiveness by making hiring, training and promoting proactive, not reactive
- Raise the morale and retention of your current key performers
- Cross-train new hires alongside people about to be promoted, raising the productivity and skill sets of both groups and improving the continuity of operations
- Assure that those you have identified as high performers can meet your expectations
- Build your reputation for a high quality workforce with all your constituents - employees, customers, investors

Two key steps help you build an effective mid-level succession plan:

- Define clearly what a top performer does in your company. The benchmarks may not necessarily be the same for every organization. For example, some may focus on skills in managing profit and loss, while others may especially value flexibility, a varied background, or multicultural experiences.
- Transform these criteria into objective performance appraisals and new position descriptions.

the market of the Great Depression.

When is it over?

Recessions end months before the official announcement that they are over. Our 21 past contractions all ended, and the current one will, too. With smart management, innovation and a new dose of confidence, businesses can position themselves to grow with the coming recovery.

Got 60 Minutes? Book Review

It's all you need for your next strategic plan.

Synopsis of 60 Minute Strategic Plan,
by John E. Johnson and Anne Marie Smith
Paperback, 168 pages, published Dec., 2006
Named finalist in business category for the National Indie
Excellence 2007 Award by Pubinsider Magazine

The word "fear" has entered the vocabulary of many executives and entrepreneurs, successful people who never expected anything but confidence as they approached planning for the future of their businesses or organizations.

We all must plan, but in challenging economic times it's hard to get started. Our minds freeze, we put off decisions, and we stop taking action. In short, we get stuck in fear's holding pattern.

How to get unstuck? A good strategic plan would help. However, as quickly as you can say the words "strategic plan," objections arise: strategic plans are expensive, complicated, time consuming, hard to understand and quickly outdated.

Not so, say John E. Johnson and Anne Marie Smith, co-authors of 60 Minute Strategic Plan, a 168-page book that offers a practical outline on how to write a step-by-step strategic plan in the same amount of time you might set aside for lunch out with colleagues. An easy, entertaining read, 60 Minute Strategic Plan includes examples to help you get started, thought-provoking exercises, and a full-sized 12-step worksheet. The hands-on process starts with the most desirable outcomes to an issue, and then draws on self-knowledge and educated guesses to build a 300-word document that can be easily adjusted during execution.

Johnson, CEO of the consulting organization "60 Minute Strategic Plan," created the process out of his years of experience dealing with business people who were impatient and had short attention spans. Anne Marie Smith, Johnson's colleague and co-author, was the co-founder of a business communications company. Their combined

Your next step? Call Laso to help you start now to put in place concrete plans for mid-level hiring and cross training. The economy is going to improve, and you don't want to be the one caught not meeting the needs of your customers.

TECH CORNER: Get your head *into* the clouds

Just the concept of cloud computing rains a storm of buzzwords, all flowing from the easy metaphor.

One cloud computing glossary lists the expected terms: cloud app, cloudware, cloud service architecture, cloud portability. More far-reaching analogies include: cloudburst, cloud storm, cloud enabler and even cloud envy, not to mention funnel cloud, hybrid cloud, personal cloud, public cloud and vertical cloud.

What is cloud computing and why should you be interested, if you aren't already?

Here's a practical definition of cloud computing:

- A method of delivering supercomputing power over the Internet.
- The ability to access applications over the Web based on programs distributed across large groups of servers with specialized connections.

experience presents strategic planning as a clear problem-solving system with a short-learning curve, easy application, and proven results.

In addition to the book, you can purchase interactive software that explains the entire 60-minute process with examples and allows you to fill out and save your plan on your computer. Separate planning templates are also available.

To learn more about the book, software and templates, go to www.60msp.com.

In its simplest, most down-to-earth form, cloud computing, sometimes also called utility computing, gives browser access to applications hosted on the Web instead of onsite systems.

A broader, more complex view applies the cloud concept to internal corporate data centers as well as web-based applications. From this perspective, cloud computing allows applications to run with exceptional flexibility, capacity, performance and reliability, all without concern for the type or location of the underlying infrastructure.

Whether basic or complex, what are the benefits of cloud computing? They're worth a close look:

- Pay for the computing power you get, when you get it, just like you pay for utilities. Software and hardware become a variable rather than a fixed expense.
- Get new business applications up and running much faster.
- Easily customize an application to your specific needs, without having to redesign the underlying infrastructure.
- Gain better reliability and virtually seamless upgrades.
- Look forward to increased capacity and flexibility without high costs and long development lead times.

Cloud computing is still evolving, and many potential users have

legitimate questions in areas such as data privacy and security, industry standards, vendor contracts and critical applications not yet available. **The bottom line: IT execs and managers need to stay current on cloud computing trends and use every opportunity to learn more.**

Current cloud computing services to investigate include:

- Salesforce.com
- Google Apps
- NetSuite
- SAP BusinessByDesign
- Amazon Web Services

Where does cloud computing fit into your company's strategy? Laso would love to hear from you. Call or click to send us a comment.

About Laso

Laso has been in business for over 12 years, and Laurie Swanson has been recruiting now for almost 20 years!

Laso is committed to being your experts in helping you build your Information Technology teams with the best people available.

These could be people who are experts at implementing or integrating ERP packages like SAP, Oracle, JD Edwards, Data Warehousing technologists, AS/400 and certified e-commerce and web developers (Microsoft and Java), Enterprise and Solution Architects, Business Analysts, and Project Managers.

Laso has also grown along with our clients to incorporate our stellar search skills in the sourcing and placement of Management and Executive Professionals in Information Technology, Operations, Finance and Human Resources along with providing additional business consulting services as needed.



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