

Call in for a Coffee

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**RSM Outplacement &
The Top 5 Business
Opportunities in a
Downturn**



Introduction

Welcome to RSM's July edition of Call in for a Coffee. With the deepening international crisis reaching new levels, this edition features two articles that are crisis/recession related. The first article is written by Mike Holloway, Director of RSM Recruitment and Nick Henley of Talent Technologies and relates to RSM Thailand's newly launched Outplacement Services business. The second article relates to business opportunities which may arise in a downturn and was prepared by RSM Prince and Partners, our New Zealand member firm.

RSM OUTPLACEMENT A Comprehensive Solution.

Few occasions are more stressful in work than when you have to tell a colleague that he or she no longer has a job. Ranked by psychologists as the third most stressful situation we are likely to face in life, job loss is becoming a greater and greater reality as the recession bites.

In spite of this, many companies are not prepared for the cost that employee lay-offs bring which are not only emotional but also financial. In Thailand, with comprehensive labour protection regulations in place, companies need to be aware and plan any downsizing they do with precision.

To help companies, we have outlined the process as **'The 4 Cs' of employee outplacement**, and hopefully it will give a clearer view of what managers need to do to make employee layoffs as painless as possible, not only for the employee but also for the company.

The first C is **Contractual**. Before any decision to downsize, thorough due diligence needs to be done on a company's contractual obligations to its employees under Thai and international law. One common issue that clients face is that the redundancy procedure provided by law should be implemented properly by the company, (e.g. offer for voluntary resignation, proper notification and announcement, no discrimination,

proper severance package), to avoid further claims by the terminated employees.

The RSM Legal practice is headed by Khun Pardorn Suchiva and Mark Butters, who are well aware of the difficulties many companies face when laying off employees. 'Objective number one for companies, we would say, is don't go to Court, because while the court system is impartial, litigation may be both lengthy and expensive'.

'Going to court can also be disastrous from a PR point of view. Most worrying of all for companies, they can easily spin into a class action with potential awards totaling tens of millions of Baht if disgruntlement is widely shared,' say Butters and Suchiva.

This is why, having completed their due diligence, companies need to manage the process with care. They need to follow the second and third Cs of **'Communication and Coaching'**.

'Having decided that they are safe contractually, some companies still slip up by not communicating effectively to the employees and botching what we call 'the outplacement process', adds Butters, 'the ultimate goal of which is to assist employees find new work as soon as possible.'

This part of the process is managed by Talent Technologies ("TT"). 'Being made redundant is stressful,' explains Nicholas Henley, MD of TT, yet it is amazing how many people, once they are guided, are willing to embrace being laid off as an opportunity. The key for us is helping our participants reconnect to their dreams and true potential, and then discover a new path which fits their unique talents and goals, rather than blindly trawling for a new job.'

In a recruitment market that's tougher than ever, it's clear that employees need to be focused, well-prepared and able to articulate their strengths clearly - and that is what the '3rd C' of the process is all about. Most importantly for companies, it gets the 'outplaced' looking forward, not back, and replaces the negative energy of the job loss with a new, positive energy from within, which encourages the employee to see his or

her circumstances anew and create a comprehensive career plan.

Which brings us to the fourth C - that of **Career Progression**. Not all 'outplacees' will look for another job. Some will take the opportunity to go into further education. Others may choose to start their own business or take a break from work altogether. But for those who do, having the expert advice and guidance of a professional recruiter is clearly an advantage.

Mike Holloway heads up RSM Recruitment in Thailand. 'Companies may take the above two measures,' he explains, 'but the clincher is getting our candidates into new positions. Candidates on our outplacement programme appreciate the day-to-day guidance and knowledge that we bring, as well as the awareness of market developments that other outplacement programmes simply may not have.'

In addition to this, he continues, in a tough market it's critical for the recruitment consultant to have a deeper understanding of their candidates. 'With the input we've received from the third phase of the process, coupled with our existing market knowledge, we can confidently approach employers with strong person/job matches, thereby giving our 'outplacees' an edge which clearly makes a significant difference to their chances of being hired.' 'It should also be stressed that our candidates are not limited to vacancies available through RSM Recruitment. We constantly review the market for all potentially matching vacancies available directly from companies and through other recruitment companies'.

Outplacement is regarded by some companies as a nice-to-have, or a means of softening the blow of being fired. As we've seen, a comprehensive outplacement programme minimises the risk of legal action and disgruntlement by moving the 'outplacees' along to the next step of their chosen career path.

Quick questions if you're planning to downsize:

1. Have you had your employment contracts reviewed by a professional to assess potential risk?

2. Have you put a communication plan in place?
3. Have you got an outplacement process which deals with the emotional issues employees may face as well as fulfilling your duty of care?
4. Have you partnered with a Recruitment Company who will help those employees who do want to further their careers do so effectively?

RSM is the only company in Thailand offering all 4 components of the '4Cs', listed above. For a free consultation and to find out more about RSM Outplacement please call us at 02670 9002-6 or email at outplacement@rsmthailand.com.

The Top 5 Business Opportunities in a Downturn

Your ability to seize opportunities in a downturn depends on your current strategic and financial strength and whether you have the ability to exploit them.

The top 5 business opportunities are:

1. **Market opportunities** - Respond to customers' shifting demands and offer new products or services that better meet these new demands. There is also the opportunity to acquire clients from struggling rivals.
2. **Transformation opportunities** - The competitive forces that shape industry are rapidly changing in many cases. This provides an opportunity to rethink your business model - and potentially transform your business for greater success in the future.
3. **Resource opportunities** - Many struggling businesses are being forced to sell assets at low prices to raise cash. This creates opportunity for businesses who have the financial strength to acquire those assets.
4. **Portfolio opportunities** - Make the hard choices on your portfolio of business units, products, and customers. What business should you be in? What business should you no longer be in? What new business do you need to get into? Make clear

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decisions on what are going to be “core’, and “non-core” activities for your business going forward.

5. **Operational opportunities** - Use this time to identify ways to improve the efficiency of your core processes and to improve your ability to implement your chosen strategy - by incorporating best practice systems and processes.

Source: Financial Times on 29 April and Results Group, RSM Prince & Partners adapted for the RSM Thailand Group

RSM News

RSM International Admits Leading Firm in Ireland

FGS, Ireland's 7th largest financial advisory firm, has joined RSM International, the worldwide audit, tax and consulting network of independent firms, boosting RSM's global membership. With an official signing ceremony, FGS formally joined RSM International's global network on Monday 27th April.

Gareth Vaughan Hughes, Managing Director to the RSM Thailand Group states: - “FGS’s decision to join the RSM International Network was a fantastic coup and has further strengthened RSMi’s position in Europe - they are an extremely impressive firm.” Gareth met with members of FGS in London in June as part of RSM Asia Pacific’s Capability roadshow around Europe.

RSM Sponsored Events - Past & Upcoming

Bangkok Lions Rugby Dinner at the Centara Grand on Resort on 6th June 2009

Jabulani Origins Ball at the Conrad Bangkok on 26th September 2009. RSM Thailand is a platinum sponsor of this event.

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RSM Thailand is a member firm of RSM International, the seventh largest worldwide organization of independent accounting and consulting firms represented in each of the top 40 business centers around the world with more than 30,220 staff in 732 offices in over 72 countries, driven by the common vision of providing high quality professional services in their domestic markets and in serving the international needs of their client base.

The RSM service line leaders in Thailand are:

Corporate Advisory

Gareth Hughes - Managing Director

Accounting & Tax Compliance

Mark Butters- Director

Executive Recruitment

Mike Holloway - Director

Business Services & Legal

Pardorn Suchiva - Legal Principal

Taxation Consulting

Steven Herring - Senior Taxation Consultant

Audit & Assurance

Prawit Wipusirikup - Audit Principal

Audit & Assurance

Surachai Damnoenwong - Audit Principal

Corporate Advisory

Sethaphong Phadungpisuth- Corporate Advisor
Consultant

We welcome your comments and feedback.
Please feel free to contact us on the details below:

RSM Thailand
26th Floor, Sathorn City Tower
175 South Sathorn Road
Bangkok 10120 Thailand
T: +66 (0) 2670 9002-6
F: +66 (0) 2670 9027-8
E: AskUs@rsmthailand.com
W: www.rsmthailand.com

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