



RBL PROPOSAL MEMO

November 14, 2016

To: Richard Sulaka, General Counsel, Detroit Water & Sewerage Department
From: Jade White, Principal, The RBL Group
Re: **Building the HR Function at DWSD**

Thank you again for our discussion on Nov 11, 2016 about the changes underway at DWSD and the need to staff & build a top decile HR department. The RBL Group is the consulting firm co-founded by Dave Ulrich, the Rensis Likert Professor of Business at the University of Michigan's Ross School of Business. We work extensively with the world's leading organizations to help them transform their HR departments from "pair of hands" service functions to strategic, value creation functions prepared to deliver 21st century results. Given our conversation, I am confident we can help you accelerate your two primary goals:

1. Build a robust HR function, purpose built for DWSD
2. Staff the function with top performing talent

CHALLENGE 1: BUILDING A ROBUST HR FUNCTION

The RBL Group, led by Dave Ulrich, has been at the forefront of defining great HR for nearly 30 years. Our research, frameworks and consulting insights are leveraged by organizations across the public and private sector in countries around the world. Yet, we continue to challenge our own ideas and research by putting our ideas to the test everyday to ensure our ideas have impact. In the area of Strategic HR, we have two guiding principles: HR creates value from the Outside In and HR's primary deliverable are Capabilities.

Recommendation: Getting the foundation for HR right from Day 1

"A small group of thoughtful people could change the world. Indeed, it's the only thing that ever has. "
- Margaret Mead

We recommend a 2-day Strategic Planning Session to kick off the HR build/transformation. We can further discuss the agenda details, but essentially Day 1 would be with the Senior DWSD Leadership Team identifying (and agreeing to) the top strategic capabilities required to be successful in the eyes of your key stakeholders. For example: WalMart's key strategic capability in low cost. This informs how they source, select, hire, promote and reward talent. It also informs their key processes, investments, culture, etc. For TVA, the large utility in the Southeast, they are mandated to keep rates low for their customers in the Appalachia's while maintaining high reliability of service. For Tesla, the key capability is innovation.

What is the key capability for DWSD? And what is the culture required to deliver that capability? That is what we would lock-in on Day 1.

Day 2, would be with a smaller subset of the group from Day 1 and/or with the existing HR team. The intent would be to take the strategic clarity from Day 1 and identify the priority HR deliverables to deliver those capabilities/culture. This is the beginning of HR from the Outside In.

*Versus traditional HR builds which happen from the inside-out. How many HR people do we need based on the number of staff? What recruiting/talent management system should we buy based upon best practices? How many hours of training per employee based upon benchmarks, etc.

Output: The output of the session would be a solid plan for how to focus/build the HR department for DWSD.

CHALLENGE 1: FUTURE CONSIDERATIONS

- The “RBL HR Framework” or the “Ulrich Model” is the defacto global standard for how HR departments are constructed in many businesses today. This approach has client-facing HR Business Partners, Specialists that with scale form Centers of Excellence, and an HR Service Center managing core processes. The opportunity for DWSD HR will be to identify how these components fit within DWSD, which can be shared across other City of Detroit entities and those that could be outsourced entirely. In other words, how can DWSD HR deliver maximum value at the appropriate investment level?
 - RBL would work with DWSD leadership to take the actions identified in the 2-day workshop mentioned on Page 1, and launch an implementation plan which would integrate internal DWSD staffing as added. Ideally, RBL’s involvement would be higher early on and reduce as internal staffing/capability increases.
- Development. The RBL Group has HR functional audits and HR Competency assessments for individuals to identify areas for further development. In addition, we have a series of webinars, self-study alternatives and on-site workshops on the latest HR skill areas.

CHALLENGE 2: STAFFING THE HR DEPARTMENT

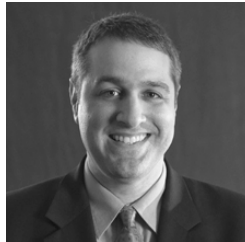
The initial focus of our call on November 11th, 2016 centered around staffing the HR Director role. Given our consulting and education work, we run across a great deal of top talent. Our primary obligation is to the client with whom we have partnered. However, there are times when key talent we have gotten to know have chosen to leave their organizations and reach out to us about known opportunities. In that case, we would be delighted to make the connection between you (DWSD) and that potential talent. Executive/Talent Search is not a core area of business for RBL, but we are delighted that we have successfully helped to pair top talent and top organizations on multiple occasions. We do not charge a search/finder’s fee for this service.

Beyond the HR Director role we feel a purposeful approach to the areas highlighted in “Challenge 1” will help to inform the true staffing need for HR at DWSD. An “Outside In” HR staff delivers increased value, offering a clearer value proposition than a typical HR “cost center”.

STAFFING

The RBL staff supporting this initiative:

Jade White



As RBL's Managing Director for North America East, Jade has over 20 years in the HR and Leadership Development fields. He is a co-author of Global HR Competencies: Mastering Competitive Value from the Outside-In and co-developer of the IMPACT HR Business Partnering Skills framework, assessment and workshop.

Jade has held leadership roles at Mars, Allianz, Capital One and Cendant with a deep focus in Learning and Leadership Development, Talent Management, OD, Strategic HR and Business Partnering.

Prior to joining The RBL Group, Jade was the Global HR Capability Director for Mars, Incorporated where he led the development of HR associates across the globe. His work included capability-building programs for Sr. Leaders, HR Managers, Generalists and those in Specialist roles.

In addition to his role in North America, Jade has worked in nearly 30 countries with a diverse list of clients to include: AARP, Allianz, AmerisourceBergen, AXA, Best Buy, BHP Billiton, Citibank, Deutsche Bank, Disney, Estée Lauder, Exelon, Halliburton, Hershey's, ING, Intel, IPG, Kraft, Lowe's, Mars, Mary Kay, McKesson, Mercedes Benz, Mondelēz International, Nestlé, Novartis, Oman Oil Group, Travelers Group, TVA, QVC and the United Nations, among others.

Jade has a Master's degree in Education and Human Development from George Washington University and a Bachelor's in HR Management from the University of Richmond. He and his family reside in New Jersey, where he also was elected and served as Mayor of his town.

ESTIMATED FEES AND COSTS

The following are the estimated professional fees for this proposal.

Phase	Fees (US Dollars)
Program design and delivery 2-Day Leadership Workshop*. Includes Action Plan/Playbook. (*Assumes limited customization of core RBL content for the 2 day workshop)	\$18k
Optional Pre-Work (Org Capability Audit)	\$250/pp; Group Report (Fee waived)
Program Materials (i.e. Participant Guides, Handouts)	Electronic or to be printed by client; **Note: RBL can print at cost via FedEx/Kinko's, most clients are trending toward e-copies
HR Director Talent Search	\$0
Future Considerations (Detailed Action Planning/Implementation; Workshops; Competency Assessments, etc.)	TBD
Total	\$18K USD, plus travel and optional fees

In addition to professional fees, we will bill the client for travel and associated expenses. These expenses are billed at cost. RBL Partners travel First Class; Principals and Managing Directors travel Business Class; Staff travels Coach.

NEXT STEPS AND CLOSING

Thank you for the invitation to be considered for this important initiative. We look forward to the opportunity to discuss our proposal details with you and gain your feedback; as a result of that discussion, we will be in a stronger position to exactly meet your expectations.

Best regards,

Jade White
Principal
The RBL Group
www.rbl.net