

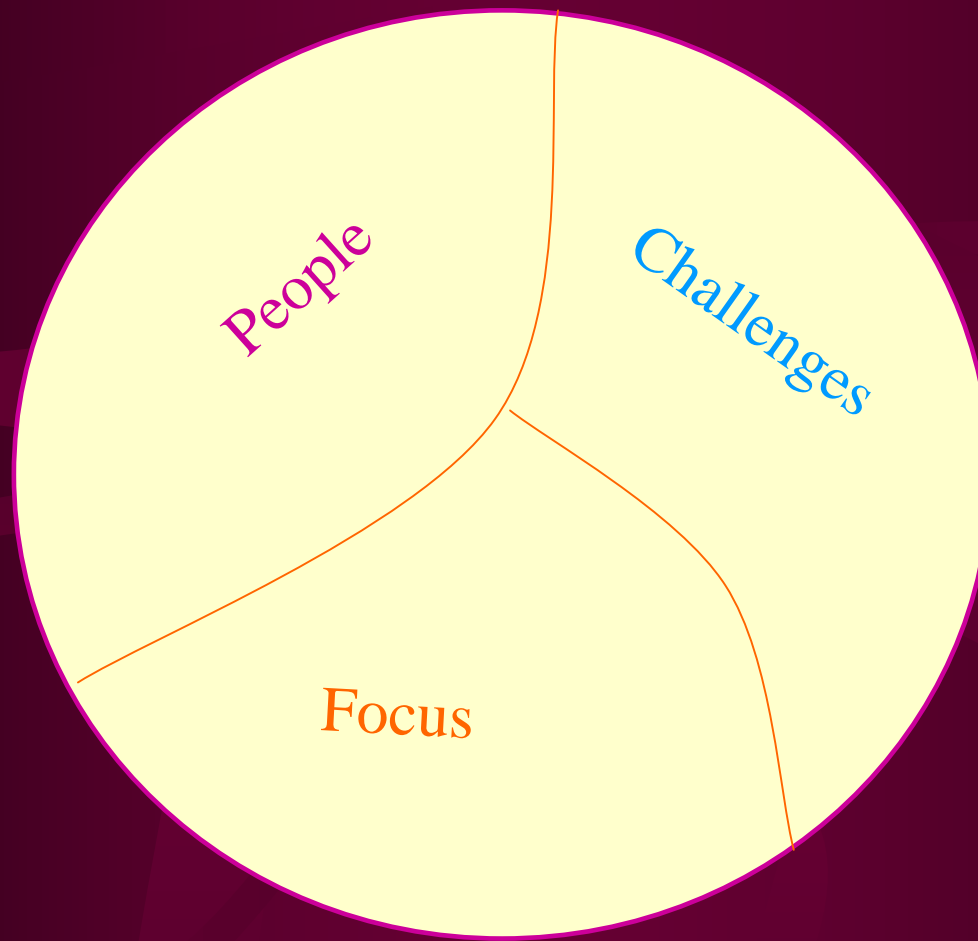
# Managing Ahead

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# Corporate Perspective

- Liz Claiborne established in 1976
- Marketer and manufacturer of apparel and accessories for women and men
- Headquartered in New York City
- Today 4.6 Billion USD, #418 on Fortune 500
- Originally started with 1 brand
  - Today 37 brands
- Including: Ellen Tracy; Juicy Couture; ENYCE; Sigrid Olsen; Lucky Brand Jeans; MEXX

# Asian Operations

- Asian Headquarters Hong Kong - 1980
- Shanghai office - 1985
- In the early years over 80% associates were expatriates
- Expatriates evolved from majority to minority
- Localization accelerated in the late 1990's
- Shanghai office is full service operation:
  - Merchandising; Quality control; Apparel Technical support; MIS; Human Resources; Logistics, Compliance

# People

Who are they?

# Today in Shanghai

- 93 associates
  - 6 Western expatriates; 2 Hong Kong
- 82% female
- Average age 30 years old
- 76% four year degree holder or higher
- Computer Software literate
- Majority are English literate to fluent

# Characteristics of today's hires

- College or university graduates
  - 3 – 4 years institutions
  - 17% non-Shanghaiese and growing
- English language skills
  - Reading comprehension is minimum
  - Spoken fluency key to promotion
- Ambitious
- Competitive
  - Result of the education system
  - Survival of the fittest

# New Generation

- Career development in the classic modern business sense is new
- Role models are not institutionalized especially for women
- Women are under social pressure to perform all roles equally well
- “Team work” concept is difficult to translate

# Communication styles

- Tend not to listen to the words - they **FEEL** the message before they focus on the words
- Do not be afraid to repeat yourself
- Speak to every level of the team
- Pay special attention to “indirect” quotes
- Don't rush into decisions as the first version of the story is not always the most accurate  
the problem

# Challenges

# Turnover – Why?

- Lack of a Career Path
  - Picture needs to be very clear
  - Waiting to be approached but cannot ask
- Lack of Respect for their supervisor and/or not respected by their colleagues
  - Conflicts abound, inadvertent comments
  - Peer pressure is high
- Comparative Opportunity Costs
  - So much choice!
  - Family pressures to improve standard of living

# Manage expectations

- This generation has only experienced improving lifestyle
- Expect to be recognized quickly
- Constantly comparing themselves to their peer group
- Firmly believe that first jobs are only career starters

# Success Criteria

- GM is key organizational development leader
- Must touch the talented players personally
- Communication skills critical
- Lack of maturity requires more energy at all levels of the organization

# Focus

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# Recruitment

- Clarify the competencies, company values
- Relate to personal motivators of candidates
- Even more important in this volatile environment
- Institutionalize the process
- Resist the pressure to take the first warm body that walks through the door

# Leadership Development

- Critical to solidify middle to senior management
- Teach difference between management and leadership
- Prove themselves before promotion
- Believe in the values of the company

# Localization vs Globalization

- China team is interrelated with the US
- Takes time to gain respect to build the business
- Believe in the same corporate values
- Multinationals should have multinational teams to share and learn together
- Experiment – there is no one right way and times change so the needs change