



## SOS Educational Webcast: Hire Away: Top Hiring Tips for Your Equity Compensation Department

Andrea Best, Ph.D., Stock & Option Solutions  
Marianne Friebel, CEP, Dolby Laboratories

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## Agenda

- Hiring Challenges
- Assessing Your Department's Needs
- Assessing our Management Style
- Job Descriptions
- Finding Candidates
- Interviewing
- Making an Offer
- Post Hire
- Alternatives to Hiring
- Top Takeaways



3

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## The Challenge of Hiring



## Today's Job Market

### Challenges

- Finding a qualified candidate at the right level
  - Knowing what level candidate you actually require
- Industry Specialization
- Location requirements
- Salary/budget
- Competition of open positions

5

## The Wrong Hire

### Costs

- 30% of an employee's salary in lost productivity (US Dept of Labor)
- 2 to 3 times the employee salary in total lost cost (Gallup)
- Time and effort (training, extra hours from the team)
- In our industry, it can mean misreported or restated financials
- Reputation (late or incorrect Section 16 filings requiring reporting in the Proxy)

### Challenges

- Equity compensation is not your core business
- One bad apple can spoil the bunch
  - Team discontent
  - Team member disengagement
- Lost Historical Knowledge

6

## Assessing Your Department's Needs



## Making the Case to Management

### Prepare your case with research and analysis

- **Determine near and long term goals for effectively managing the function**
  - Nice to haves vs. Need to haves
  - ROI – what is the value add for requested resources
- **Pro-active vs. Re-active**
- **Assess current roles and responsibilities**
  - **Ask your team regularly to provide info**
    - What are they currently working on
    - Where are they challenged and by who/what
    - What tools/resources do they need to be successful

### Sell your case

- **Know your audience**
  - Bullet points vs. extensive information – what will work best?
- **Money talks**
  - Be prepared to talk ROI – clearly spell out the value add for the additional resources requested
- **Clear examples**
  - What you could be doing with additional resources
  - How this will benefit employees, execs, managing the function, the organization as a whole
  - Failures resulting from lack of resources (staff and/or technological)

## Departmental Culture Assessment

- **Purpose**
  - Define and determine how to successfully achieve
- **Philosophy**
  - Beliefs and Principles
- **Priorities**
  - What is important to the organization/department?

9

## Core Values Assessment

- Core Values are the principles that guides a company's actions
- Core Values help define and are an integral part of both a company and individual department's culture
- Company core values often influence department core values, but they are not always mutually inclusive
  - Example: A company's core values may advocate "creativity and playfulness", but this can be detrimental if applied to Stock Administration
- It is important for hiring managers to assess not only their company's values, but also their department's core values

10

# Dolby Core Values

## High Tech with a Human Touch

Ray Dolby, our founder, was more than a brilliant scientist and inventor. He valued a work environment that fostered both individual creativity and teamwork, intellectual curiosity and practical problem-solving. He believed in forward thinking, mutual respect, and a true work-life balance.

Even as we've become a global company, Dolby Laboratories continues to reflect Ray Dolby's values. Here, science meets art. And high tech goes far beyond computer code.

## What We Do

We focus on complete solutions that revolutionize how people create, deliver, and enjoy entertainment worldwide. We emphasize quality and we prize integrity, earning the trust of our partners and customers. We also believe in giving back to the communities where we do business.

# Stock & Option Solutions' Core Values

SOS Core Values	
<b>Excellence</b>	We WOW with expertise, quality, service and kindness.
<b>Integrity</b>	We say what we do and do what we say. Integrity is the foundation of SOS.
<b>Opportunity</b>	We pursue new ideas and possibilities. We seize opportunities to grow personally and professionally.
<b>Passion</b>	We are passionate and enthusiastic about making a difference.
<b>Teamwork</b>	We support each other by sharing ideas, expertise and talents in a fun, collaborative environment.

## Assessing Your Management Style



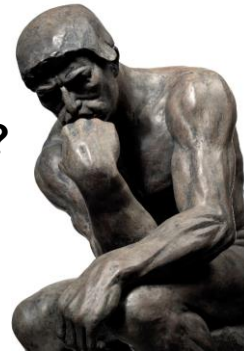
## Your Management Style

- Hands on?
- Hands off?
- Micromanager?
- Delegator?
- Visionary Leader?
- Servant Leader?



## Your Leadership Weaknesses

- Impossibly high standards?
- Unrealistic expectations?
- Difficulty communicating?
- Leadership challenged?
- Stress-management Novice?
- Delegation disabled?
- Low EQ?



15

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## Job Descriptions





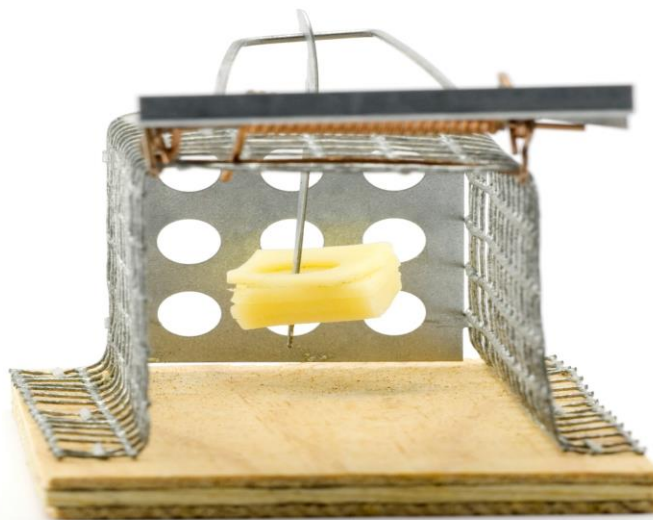
## Writing the Job Description

- What will the person be doing and responsible for?
- Who will they be working with and reporting to?
- Is there travel?
- Where will they need to work?
  - Does your company require face to face onsite work or is it possible to be a remote employee?
- Special Skills or requirements?
- Key words that you include may determine the level and potential salary of the position
- Opportunities?
- What is special about your company or organization that may be attractive to a candidate? Culture fit!
- Look at similar job openings at other companies

17

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## Attracting Top Talent



## Be an All-Star Employer

- Manage Glassdoor reputation
- Understand your unique value proposition for candidates
- Create narrative for employment experience and growth opportunities
- Leverage company engagement Surveys
- Build in-house cheer team

19

## How to Find Potential Candidates

### Utilizing Company Recruiting

- Internal recruiting can be invaluable, but spend the time so they understand your requirements

### LinkedIn

- Dedicate time to scour LinkedIn for potential candidates

### Leveraging your own network

- Ask for referrals to open positions. Trust your network

### Other Options:

- Job Boards (NASPP, CEPI, etc..)
- Placement Services (SOS, etc..)
- Temp-to-Perm hires

20

## Sourcing

- Industry sites: NASPP, CEP, GEO, and local chapter NASPP websites
- For entry level positions - College websites
- Consider hiring a headhunter, there some that specialize in Equity Comp positions
- Your company recruiters should help you post to LinkedIn, Indeed, etc.
- Talk to your vendors, they might know who is looking for a new opportunity

21

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## Interviewing



## Skills Interviews



- Leverage your “A” players
- Use behavioral interview questions
- Ask them to walk you through
- Dig in deeper than the resume

23

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## Behavioral & Situational Questions

- Ask candidates to walk you through technical processes
- Ask hypothetical questions that reflect common challenges they will face on the job
- Ask for detailed examples of times candidates dealt with difficult challenges, people, and deadlines

24

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## What Not to Ask

- Personal details not relevant for the job requirements
- Marital status
- Age
- Political beliefs
- Religious affiliation



25

## Candidate Red Flags

- Job Hopper
- Fibber/Tall Tale Teller
- Complainer
- Tardy
- Unprepared
- No direct supervisor references
- No pulse
- Too Excited



26

## Comparing Candidates

- Select Non-negotiables
- Develop Key Metrics
- Score Candidates Numerically
- Include Qualitative Assessment



27

## Making an Offer



## Compensation Negotiation

- **Staying within your budget and salary bands can be a challenge, especially in a hot market**
- **Understand what the roles are paying**
  - Ask your Compensation team for recent survey information
  - If you don't have a Comp team, check sites like Salary.com
  - Ask your network of other Stock Managers what they pay for similar positions in your area
- **Find out what ability you have to go above your salary band**
- **Ask if you have the ability to re-level the position for the right candidate**
- **Don't be afraid to push back on a candidate; candidates can ask for the world**
- **Be prepared to explain your calculations/decisions for the compensation and benefits**
  - Private vs. Public company valuation of awards
  - Do you offer a sign on bonus for certain levels?
  - Some companies have strict guidelines on equity awards or bonus percentages and no negotiation for vacation days and other benefits
  - Your company may offer a lot more than face value of the Compensation package (ie. flexible work schedule, concerts, employee discounts, free food, and more)

29

## Compensation Negotiation

- **Know Compensation Target of Candidate**
- **Know Comps for Similar Role in Your Location**
- **Use Job Description and Fit as a Starting Point**
- **Take into Account Growth Opportunities**
- **Build growth plan and com Increases into Offer**



30

## Post Hire



## Onboarding Best Practices

- First impressions are key
  - Make the experience as positive and productive as possible
  - Impart knowledge
  - Guide to finding resources and information
  - Create a sense of inclusion
- Utilize company onboarding guides
- Timeline
  - Clearly set expectations for the first 30, 90 days, 6-months, etc.



## From Interview to Development

- **Make note of areas for growth during interviews**
- **Leverage job description holes for 1<sup>st</sup> year professional development**
- **Leverage strengths for opportunities to advance**

33

## Career Pathing

- **Ask the new employee what they would like to do in the future**
- **Help identify opportunities for them to participate in projects that can further their development, allow them to pursue their interest and introduce them to the business partners that support that area**
- **Remind the employee that they share in their development; you are there to aid**
- **Be sure they are aware of upcoming classes, trainings, certifications and conferences**
- **Consistent and often touch bases with your employee to discuss their progress and opportunities will help in their development**
- **Remember that when the employees progress it also helps you as a manager**
  - › **A more educated and highly functioning team will enable you to do more and they will appreciate and respect you for supporting them**

34

# First 30 Days

- Order Equipment
- Access to systems
  - › Stock system(s)
  - › Transfer Agent
  - › Internal tools
  - › HR database
  - › Accounting
- Required internal classes
  - › Harassment
  - › Standards of Business Conduct
  - › Data Privacy
- Industry Organizations
  - › NASPP
  - › CEP
- Provide Plan documents to new employee
  - Including the Prospectus
- Training
- Introductions
- Review responsibilities and expectations
- Develop both 6 month and 1 year goals together



35

# Alternatives to Hiring



## Consider Outsourcing

- Departmental needs assessment
- Recruiting, screening & interviewing
- Special skillsets and projects
- Administrative functions
- Entire department



37

## Top Takeaways


- Take your time to hire the right person
- Use hard data to demonstrate ROI for headcount
- Hire for cultural fit, not just skills
- Manager, know thyself.. and ask for feedback!
- Be an all-star employer
- Your job description is your advertisement; sell it!
- Leverage your network and partner with internal recruiting
- Divide and conquer when interviewing to assess multiple areas
- Onboarding: get it right, first impressions are lasting ones
- Leverage learning from interview to build 1<sup>st</sup> year developmental plan
- Don't have the time? Consider alternatives to hiring

38

# Contact Information

 **Stock & Option Solutions**

Andrea Best, Ph.D.  
Managing Director, People Solutions  
910 Campisi Way, Suite 2E  
Campbell, CA 95008 USA  
Bus: (408) 979-8721  
E-mail: [abest@sos-team.com](mailto:abest@sos-team.com)

 **DOLBY.**

Marianne Friebe, CEP  
Director, Global Stock Administration  
1275 Market Street  
San Francisco, CA 94103-1410 USA  
Bus: (415) 357-7173  
Email: [Marianne.Friebe@dolby.com](mailto:Marianne.Friebe@dolby.com)