






## Human Resources Functional Strategic Plan



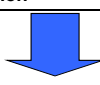
## Strategic Priorities

**Corporate:** Better Meet Our Customer Needs with:


- A. Existing Products (*Today*)
- B. New Products and Technologies (*Tomorrow*)
- C. New Business Opportunities (*Future*)

**HR:**


Today (A)	Tomorrow (B)	Future (C)
<ul style="list-style-type: none"> <li>• Staffing</li> <li>• Performance Management</li> <li>• Coaching</li> <li>• Compliance</li> <li>• Integration</li> </ul>	<ul style="list-style-type: none"> <li>• Process Improvement</li> <li>• Training</li> <li>• Communications</li> <li>• Rewards &amp; Recognition</li> <li>• Globalization</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Global Culture – Mission, Vision, Values</li> <li>• Employee Development</li> <li>• Branding</li> <li>• M&amp;A</li> </ul>



**Revenue Growth**




**Profitability/Shareholder Return**



**Cost Reduction**

**Quality & Service**

**Compliance**



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## HR Strategy – Goal of HR Strategic Plan

The global Human Resource function  
will support Invitrogen's Mission by:

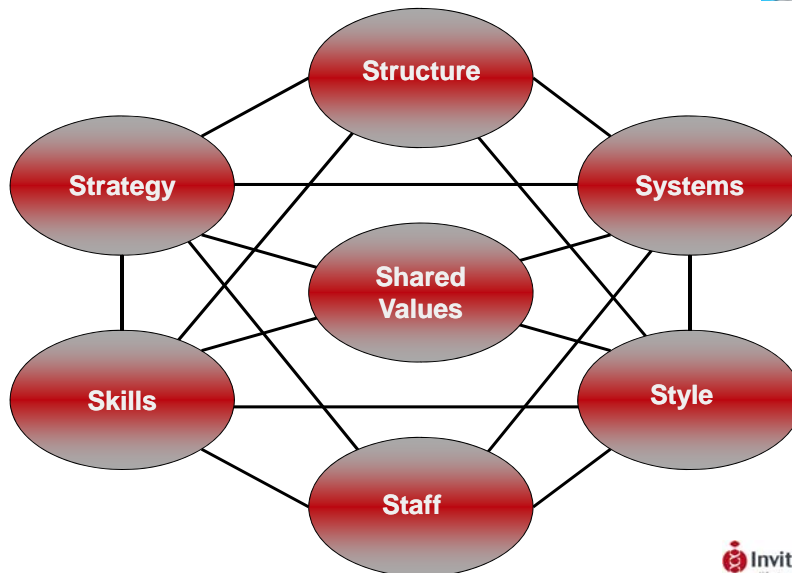
● **Accelerating Results . . .**

**. . . Through People**



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## McKinsey 7-S Model




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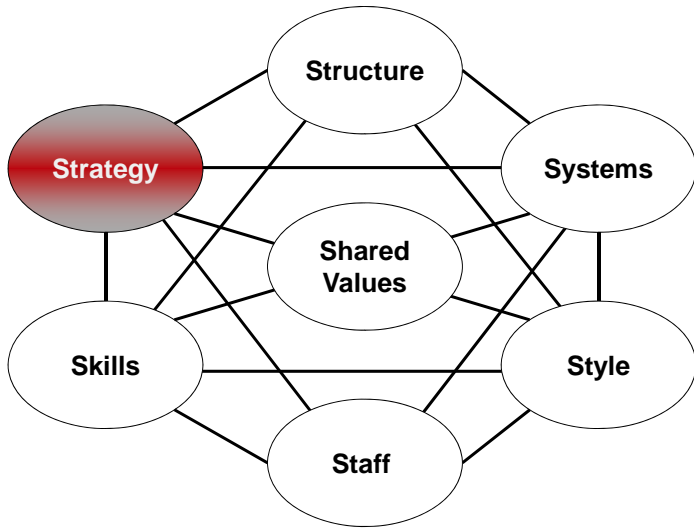
## HR Strategy – Functional SWOT Analysis


<p><b><u>STRENGTHS</u></b></p> <ul style="list-style-type: none"> <li>• Technical Competence: Employee Relations, Systems &amp; Process, Staffing, Integration, Compensation &amp; Benefits</li> <li>• "Can Do" Attitude, Flexibility &amp; Team Work</li> <li>• Responsiveness - Hiring &amp; Employee Relations</li> <li>• Bench Strength with a Variety of Backgrounds</li> </ul>	<p><b><u>WEAKNESSES</u></b></p> <ul style="list-style-type: none"> <li>• Employee Communications</li> <li>• Documented Systems/Processes</li> <li>• Integrated Training Process and Plan</li> <li>• HRIS Data Integrity &amp; Trained HRIS Users</li> <li>• Global HR (Systems, Processes, Policies), Global Benchmarking of World Class HR Practices and Career Ladders</li> </ul>
<p><b><u>OPPORTUNITIES</u></b></p> <ul style="list-style-type: none"> <li>• More Proactive Partnering with Management</li> <li>• Systems/Process Alignment</li> <li>• HRIS/Self-Service/Intranet &amp; Internet Applications</li> <li>• Employee Communications</li> <li>• HR Scorecard</li> </ul>	<p><b><u>THREATS</u></b></p> <ul style="list-style-type: none"> <li>• Aligning our HR practices with our Internal Customer's Business Objectives</li> <li>• Management Training - Compliance: Interviewing, Violence In Workplace Harassment (Sexual, Other), Personnel File - Compliance</li> <li>• Defined Processes - Lots of Process Variation Resulting in More Work</li> </ul>



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## HR Strategic Plan – Strategy





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## HR Strategy – Current State

### 2001 - 2002 OBJECTIVES:

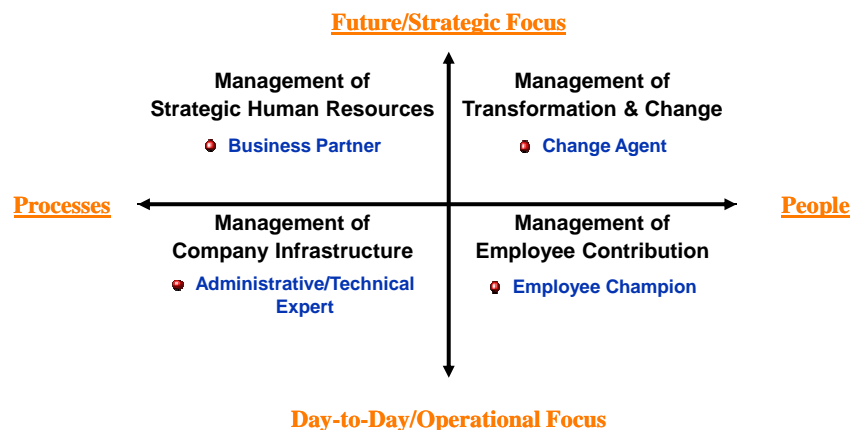
- Building a world-class team and infrastructure to support \$600 million global operations
- Establish generalist/specialist structure to support client groups with functional expertise
- Meet organizational consolidation and merger & acquisitions needs
- Run the business – staffing, employee relations, benefits – health, welfare & retirement plans
- Developing a plan to establish/shape/influence a positive, results-driven global corporate culture
- Organization design/structure & succession planning
- Initiating an executive/leadership development program
- Developing compensation – base pay, incentive & equity plans for the Y2002
- Developing a comprehensive, global employee communication plan



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## HR Strategy – Desired State & Gap Analysis:

### Human Resource Roles In Building a Competitive Organization:



From: *Human Resource Champions: The Next Agenda for Adding Value and Delivering Results* Dave Ulrich



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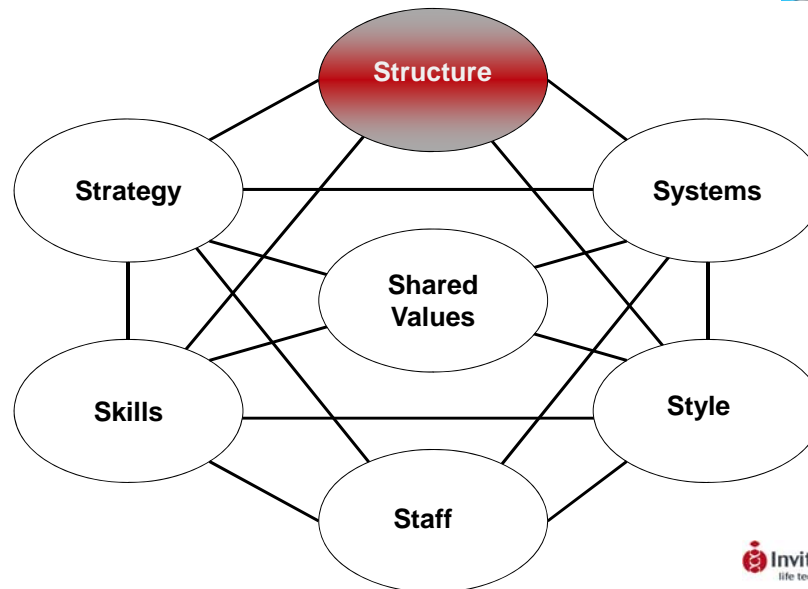
## HR Strategy – Action Plan

- **Organization Structure** – align with company and business needs required to support a \$2 billion global company
  - Utilize contract resources as much as possible – i.e., recruiting & training function
  - Outsource administrative services – i.e., relocations, benefits, corporate benefits reporting – admin. of legacy plan
  - Create HR employee services/call center, employee communications functions
- **Strategic Planning & Partnering** – with business leaders, benchmark other companies best world class practices
- **Alignment** – with business, team building, eliminate silos, global communication
- **Process Re-engineering** – documented and streamlined
- **HRIS/Automation** – leverage – employee and manager self-service tech
- **Training & Development** – train & develop current staff, leadership training, and increase management depth (succession plan)
- **Recruitment** – business knowledge, broader skill set, more business industry, HR mastery
- **Integrated Global HR Practices** – think globally, act locally



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## HR Strategic Plan – Structure

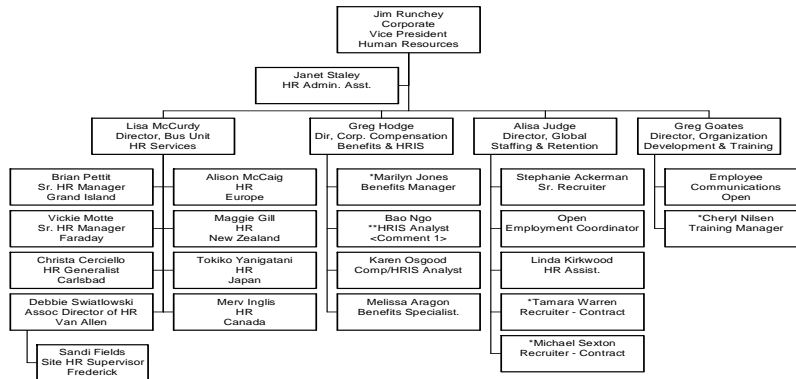


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“Creating Competitive Companies – One Leader at a Time”

## HR Structure – Current State



\*Contract Recruiters, Benefits Mgr. & Outsourced trn. functions can expand/contract with business needs  
\*\*Staffing transition to California to better meet organizational needs



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## HR Structure – Current State

Generalist Role	Global Specialist Roles		
	Business Unit Ops	Org. Dev. & Trng.	Comp. & Benefits
<ul style="list-style-type: none"> <li>• Global HR site support</li> <li>• Performance Management – Employee Relations – Coaching and mentoring</li> <li>• Compensation administration</li> <li>• Strategic Planning</li> <li>• M &amp; A support – integration</li> <li>• HR Policy development &amp; administration</li> <li>• Payroll/Support</li> <li>• Company Events</li> </ul>	<ul style="list-style-type: none"> <li>• Corp. Values</li> <li>• Leadership Development</li> <li>• Succession Planning</li> <li>• Integrated Training Planning</li> <li>• Supervisory Training</li> <li>• Performance Management 2.0</li> <li>• HR Process Mapping and Streamlining</li> <li>• Employee Communications</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation – salary surveys – structure – adjustments – merit budget planning</li> <li>• Expat Policy Guidelines</li> <li>• Position Descriptions</li> <li>• Benefit Plan Admin.</li> <li>• Legacy Plans</li> <li>• Workers Comp</li> <li>• Stock Option Plan Administration</li> <li>• HRIS</li> <li>• Electronic Open Enrollment System</li> <li>• ICP Calculation and Payout</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing - relocation</li> <li>• Retention strategies – mentoring – recognition programs</li> <li>• Affirmative Action Plan</li> <li>• Targeted Selection Program</li> <li>• Resume Tracking System</li> <li>• Branding for Employees</li> </ul>



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## HR Structure – Desired State & Gap Analysis



In addition to Business Unit Operations, Org. Dev. & Trn, Comp.& Benefits and Staffing and Retention Roles we currently have, we would propose adding the following roles:

Employee Services/Call Center	Employee Communications
<ul style="list-style-type: none"> <li>● Benefits Questions – medical, dental, vision, life 401 (k), ESPP, worker's compensation, SDI, etc.</li> <li>● Paid Time Off Questions – sick leave, vacation, jury duty, bereavement, holidays, etc.</li> <li>● Leaves of Absences – pregnancy, medical, military, personal, etc.</li> <li>● Career Opportunities – job postings, transfers, referrals, employee development &amp; training etc.</li> <li>● Employee Programs &amp; Services – educational &amp; fitness center reimbursement, carpool, PC loan service awards, suggestion program, etc.</li> </ul>	<ul style="list-style-type: none"> <li>● Employee Survey &amp; Follow-up</li> <li>● Site Employee meetings (quarterly) including video</li> <li>● Expand use of Intranet &amp; email including newsletter</li> <li>● Road shows/"Town Hall" all employee meetings – executive world tours</li> <li>● Monthly breakfast meeting with a site officer</li> <li>● Listening Posts – 800 # etc.</li> </ul>



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## HR Structure – Action Plan



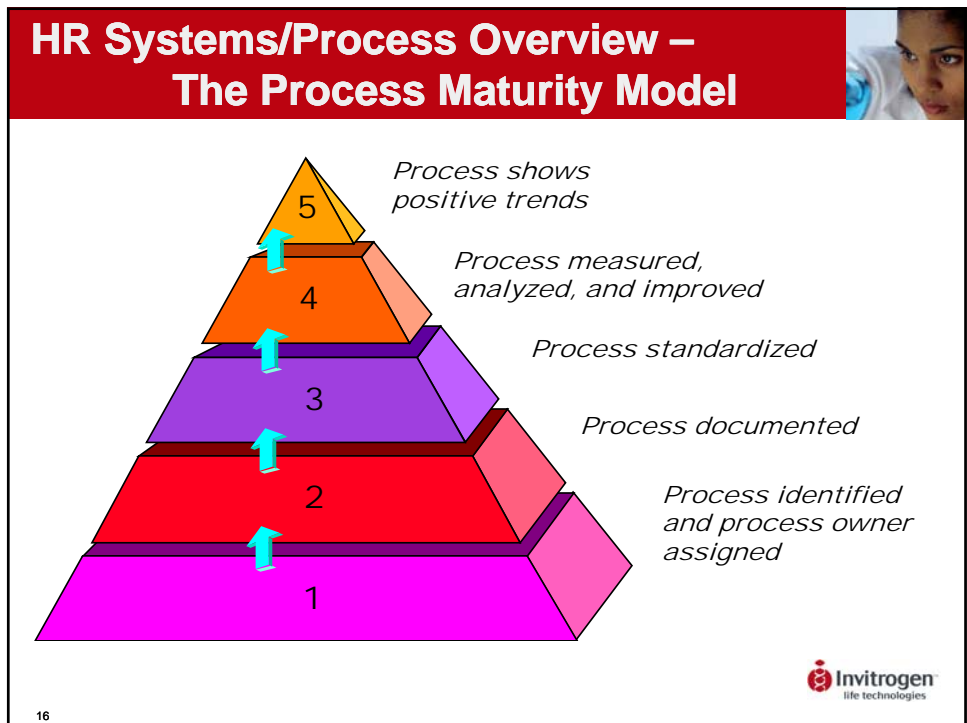
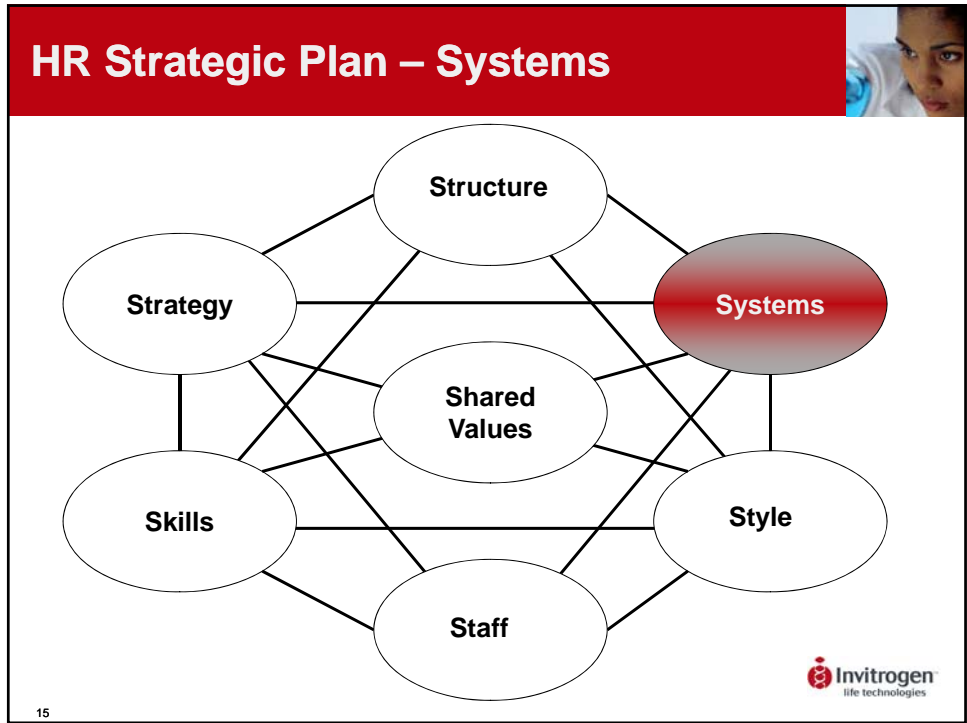
### Actions

- Maintain Generalist & Specialist Approach/Structure
- Add Employee Service Group and HR Call Center (2002/2003)
- Establish Employee Communications Function/Group (2002/2003)
- Develop & Deploy Manager & Employee Self Service Technologies (2002/2003)
- Transfer HRIS support from Maryland to Carlsbad (2002)



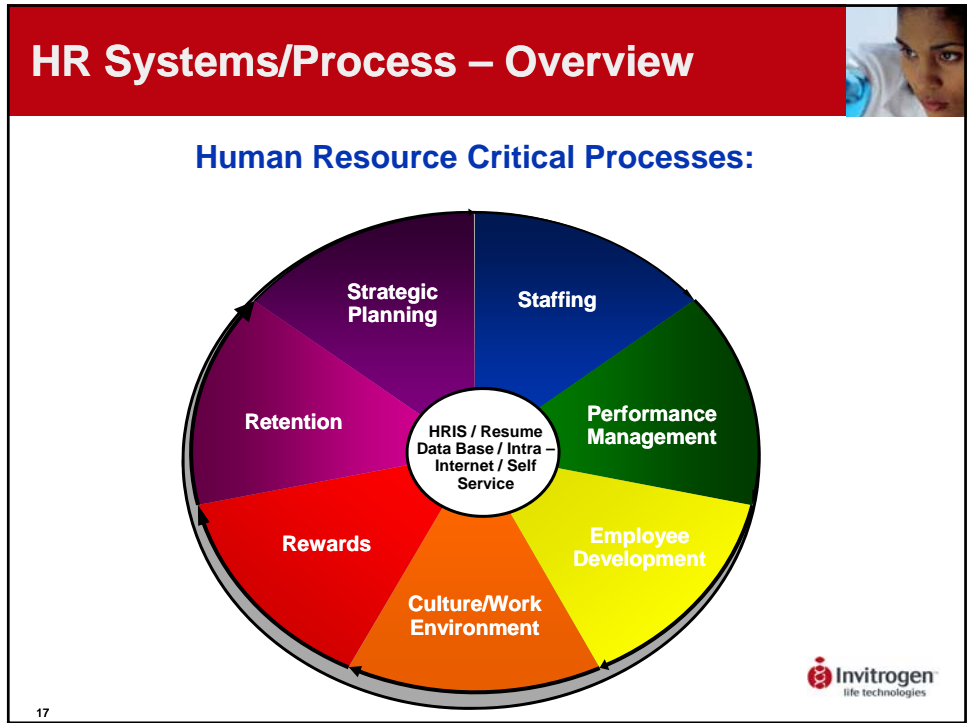
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## HR Systems/Process Current State & Gap Analysis

Process Maturity Level	Strategic Planning	Staffing	Performance Management	Employee Development	Culture/Work Environment	Rewards	Retention
1. Owner	McCurdy	Judge	McCurdy	Goates	Goates	Hodge	Judge
2. Documented	●	◐ In Process	●	◐ In Process	◐ In Process	●	◐ In Process
3. Deployed	●	◐ In Process	●		◐ In Process	●	
4. Measures		◐ In Process	●			●	
5. Trends of Improvement						◐ In Process	



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*"Creating Competitive Companies – One Leader at a Time"*

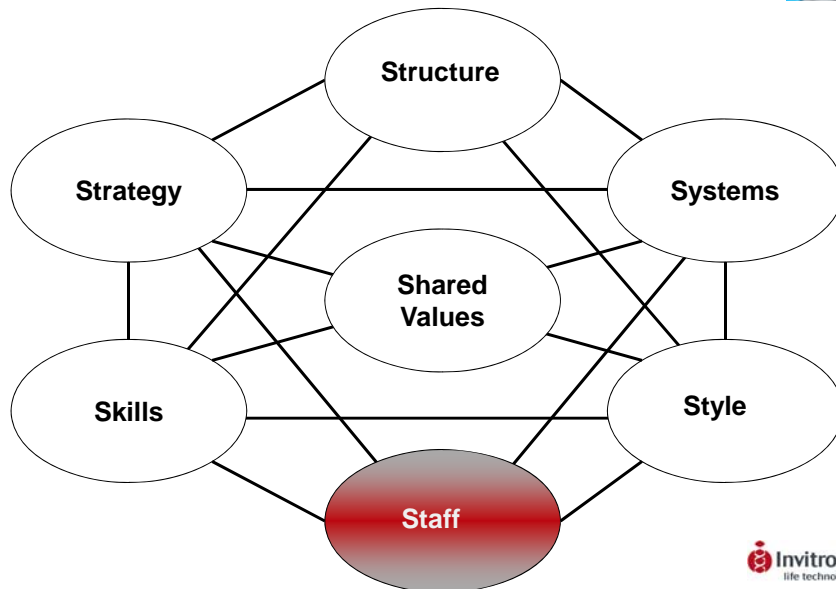
## HR Systems/Process – Action Plan

Strategic Planning	Staffing	Performance Management	Employee Development	Culture/Work Environment	Rewards	Retention
<ul style="list-style-type: none"> <li>Develop HR Balanced Scorecard</li> <li>Link with Corporate &amp; Business Units Strategy</li> <li>Involve Global HR Staff in Development of Functional Mission Statement</li> </ul>	<ul style="list-style-type: none"> <li>Deploy Behavioral Interviewing</li> <li>Job Description Project</li> <li>Intranet Upgrade</li> <li>Resume Database</li> </ul>	<ul style="list-style-type: none"> <li>Perf. Mgt. 2.0 – Incorp. Values – Customize: Team Component &amp; Leadership Competencies</li> <li>Deploy Results Based Interaction Core Supervisory Skills</li> <li>Employee Handbook</li> </ul>	<ul style="list-style-type: none"> <li>Integrated Training Plan Linked to Business Objectives and Organizational Competencies</li> <li>Develop IVGN 101 Training Course</li> <li>Continue Succession Planning Deployment</li> <li>Executive Leadership Development</li> </ul>	<ul style="list-style-type: none"> <li>Global Employee Living the Values Survey</li> <li>Performance Centered Action Planning Process</li> <li>Deploy Guiding Behaviors</li> <li>Global Comm. Strategy Plan HR Branding</li> <li>Employee Diversity Program</li> </ul>	<ul style="list-style-type: none"> <li>Global Compensation Structure</li> <li>Non-Cash Rewards Recognition Program</li> <li>Stock Options</li> <li>Enhance Employee Ownership</li> <li>ESPP - Globally</li> <li>Service Awards Program</li> </ul>	<ul style="list-style-type: none"> <li>Employee Company Branding</li> <li>"Employer of Choice"</li> <li>New Hire Orientation</li> <li>Mentoring Program</li> <li>Employee Benefits</li> </ul>



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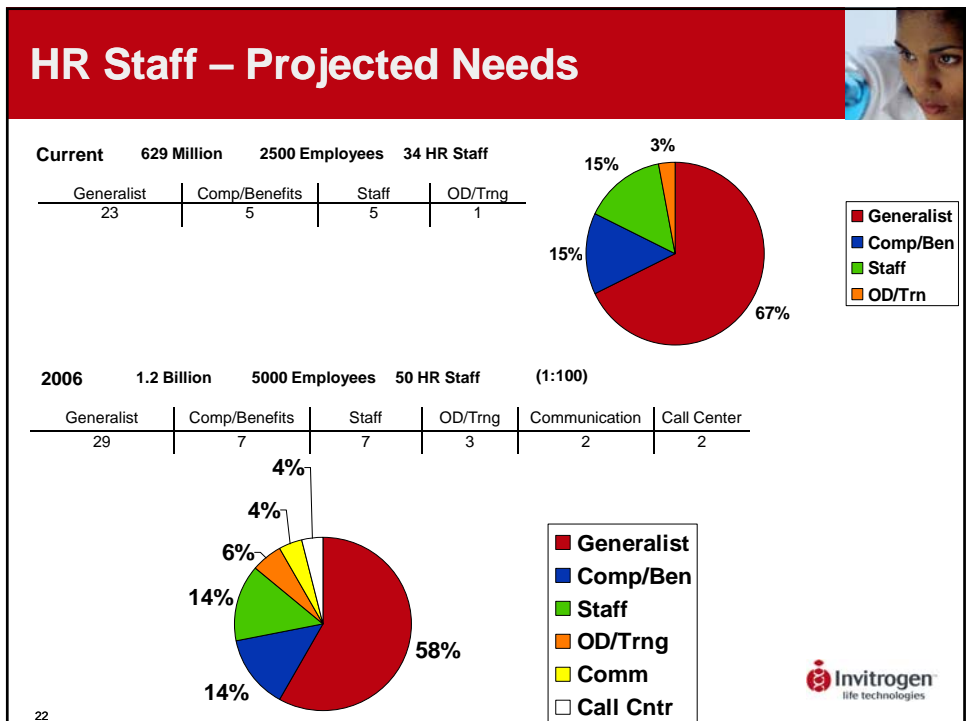
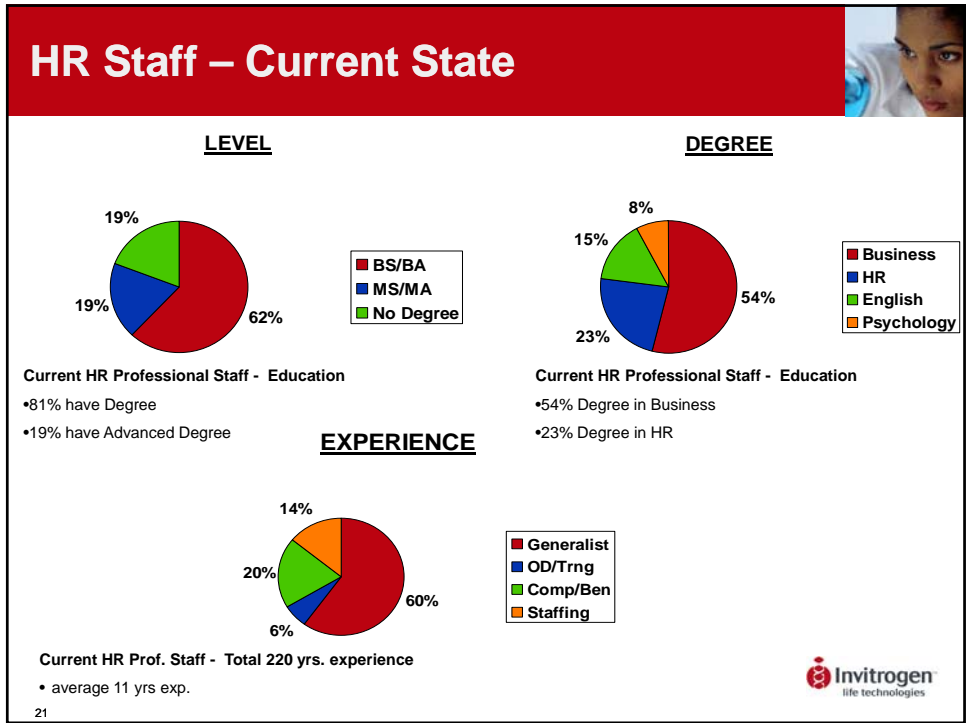
## HR Strategic Plan – Staff



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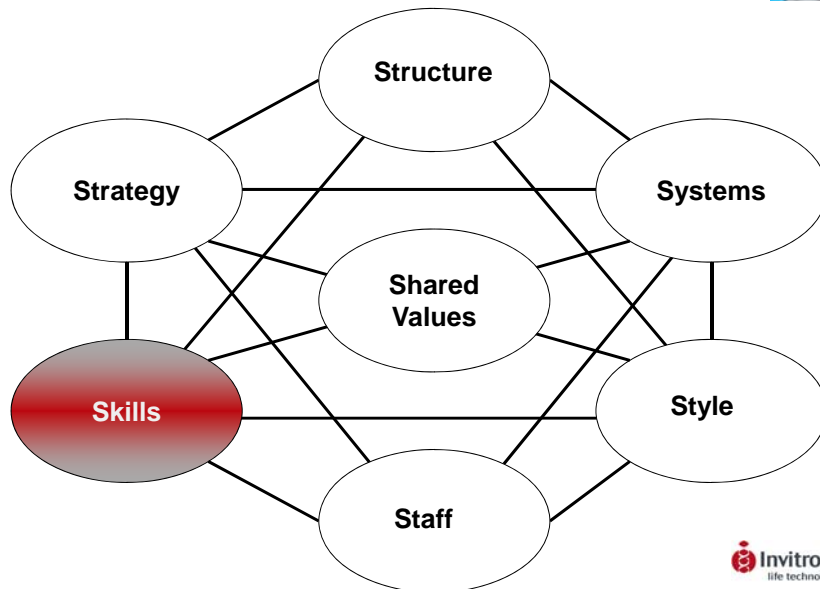
## HR Staff – Desired State & Action Plan

### Desired HR Staff Background & Experience:



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## HR Strategic Plan – Skills



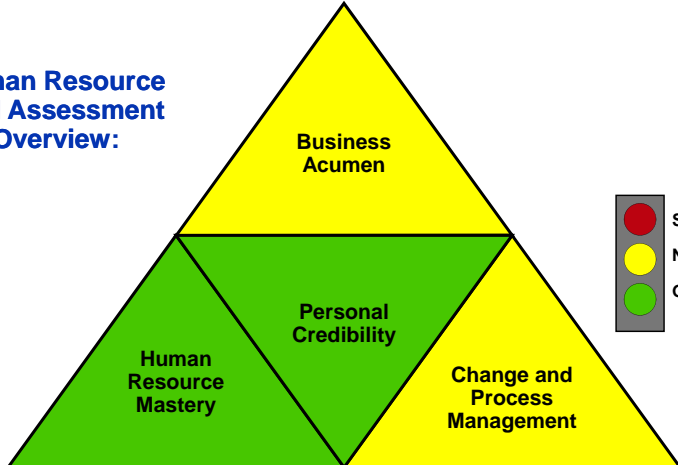
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## HR Skills – Skills Model for HR Competencies

**Human Resource Skill Assessment Overview:**



From: [Human Resource Champions: The Next Agenda for Adding Value and Delivering Results](#) Dave Ulrich







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## HR Skills – Current & Desired State

Business Acumen					Human Resource Mastery						
Competency Area	5	4	3	2	1	Competency Area	5	4	3	2	1
• Products – Technology			✘			• Strategic Planning			✘		
• Market Knowledge: Academic, Government, Pharmaceuticals			✘			• Staffing		✘			
• External Customers				✘		• Performance Management		✘			
• Financial Acumen				✘		• Employee Development		✘			
• Understanding Strategic Objective		✘				• Culture		✘			
						• Rewards		✘			
						• Retention		✘			

5 = **Expert** – working knowledge of area, 5-10 years of direct experience  
 4 = **Experienced** – working directly on several projects over course of 3-5 years  
 3 = **Knowledgeable** – understanding the theory and some direct experience over a couple of years  
 2 = **Exposed** – working in function along side individuals who were experts but no direct experience, some knowledge  
 1 = **No Exposure** – little knowledge and no direct experience



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## HR Skills – Current & Desired State

Change & Process Management					Personal Credibility						
Competency Area	5	4	3	2	1	Competency Area	5	4	3	2	1
• Diagnosis				X		• Confidentiality	X				
• Building Relationships		X				• Accuracy				X	
• Articulate Vision		X				• Consistency		X			
• Gain Leadership Support			X			• Meeting Commitments			X		
• Solve Problems		X				• Interpersonal Relationship Skills		X			
• Implement Actions				X		• Confrontation			X		
• Measures & Cont. Improvement					X	• Integrity	X				
• Process Mapping				X		• Innovation			X		
• Process Re-engineering				X		• Business Alignment			X		

5 = Expert – working knowledge of area, 5-10 years of direct experience  
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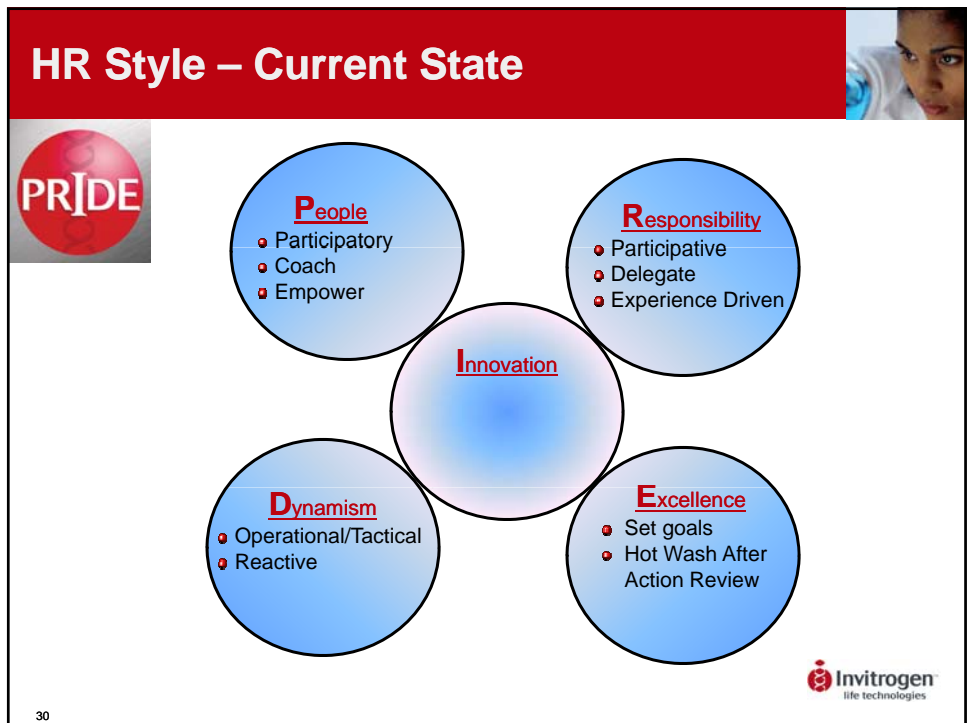
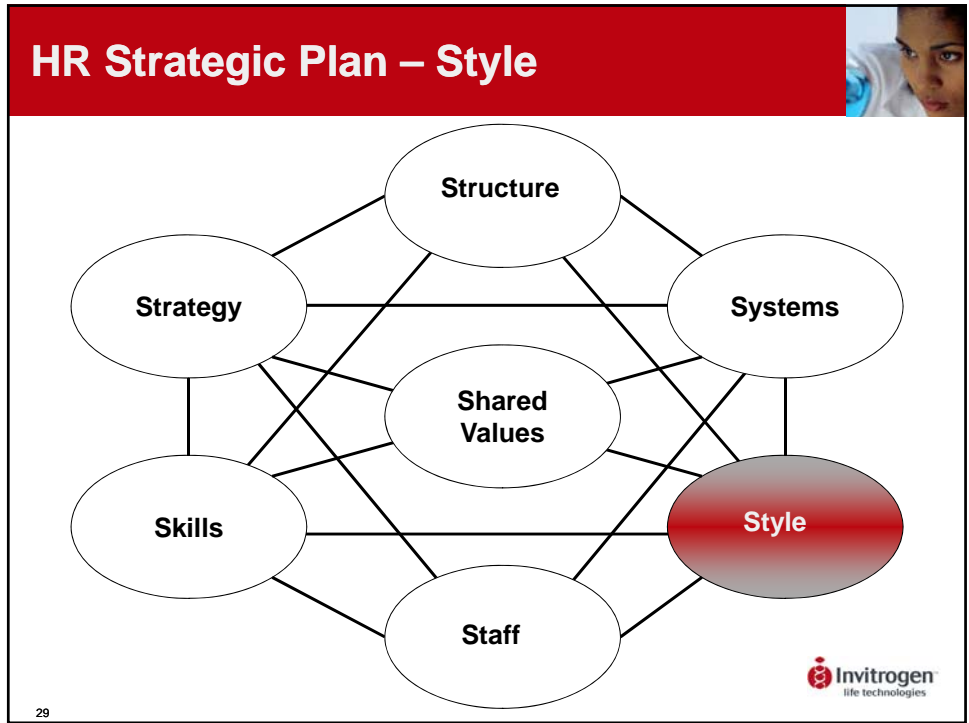
## HR Skills – Action Plan

Business Acumen	Change and Process Management	Personal Credibility	Human Resource Mastery
<ul style="list-style-type: none"> <li>• DNA &amp; Protein Refresher Course</li> <li>• Product Technology/ Training</li> <li>• Day-in-the-Lab</li> <li>• Meet Customers in Drive Alongs</li> </ul>	<ul style="list-style-type: none"> <li>• Change Management               <ul style="list-style-type: none"> <li>– what is change?</li> <li>– tools and techniques</li> <li>– helping others adapt to change</li> <li>– large and small group interventions</li> </ul> </li> <li>• Process Based Organizations</li> <li>• Process Mapping</li> <li>• Process Re-engineering</li> <li>• Process Maturity</li> </ul>	<ul style="list-style-type: none"> <li>• HR Scorecard development and maintenance</li> <li>• HR Reporting Accuracy</li> <li>• Influence Without Authority</li> <li>• Innovation</li> <li>• Business Alignment</li> <li>• Constructive Confrontation</li> </ul>	<ul style="list-style-type: none"> <li>• Professional Seminars</li> <li>• HR Certificate programs</li> <li>• Advance Degree Pursuit               <ul style="list-style-type: none"> <li>– Tuition Reimbursement</li> </ul> </li> </ul>

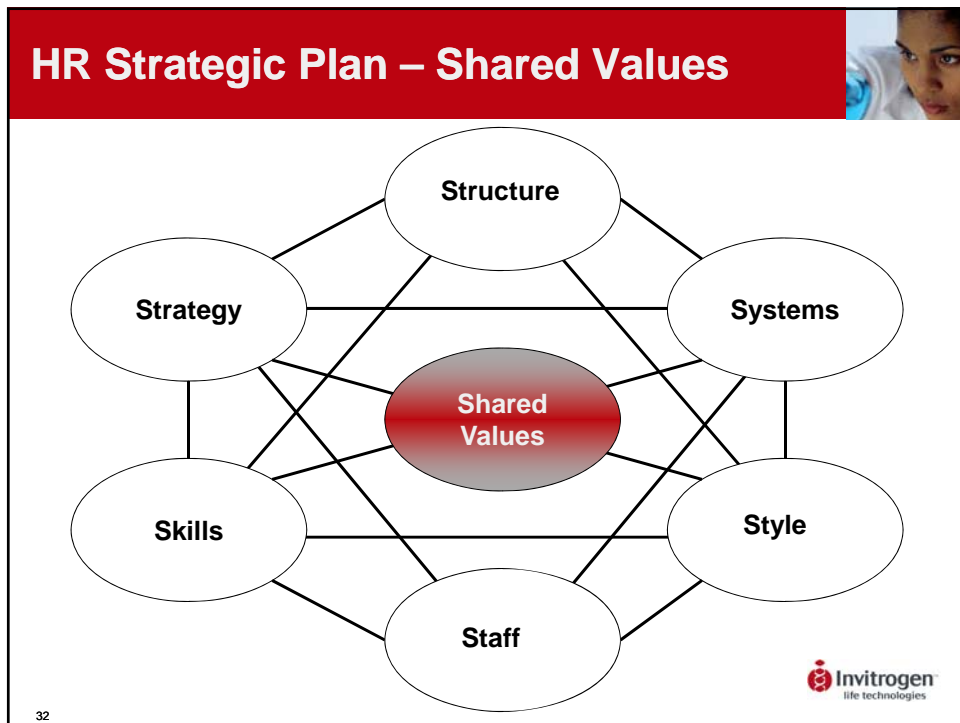


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## HR Shared Values – PRIDE


- Mission
- Vision
- Values
- Stakeholders



**MISSION**  
To provide innovative products and services that accelerate biological discovery and understanding.

**VISION**  
To extend our technological leadership in the molecular biology and cell culture markets and expand into biotechnology products in peripheral growth markets. To create a fully integrated technology platform consistent with our business strategy of making significant contributions to human health and well-being by accelerating discovery in the life sciences.

**VALUES**  
Through our everyday actions, we live and create our environment for success. The PRIDE we take in the work we do is reflected in the Invitrogen Values:



- People** We care about our people; we are supportive and share the success that comes from working together.
- Responsibility** We operate with honesty and integrity; we personally stand by what we say and do.
- Innovation** We innovate and strive for continuous improvement.
- Dedication** We are a dynamic organization that is passionate about what we do.
- Excellence** We use optimal processes to produce high-quality products; we give our customers our very best.

*“Innovation is at the heart of everything we do.”*

**COMMITMENT TO STAKEHOLDERS**

**CUSTOMERS:** We strive to listen to our customers and help them achieve their objectives. Our priority is ensuring the quality and immediate availability of our products and services.

**EMPLOYEES:** We recognize that success depends upon providing an exciting and challenging work environment where employees can start at helping the company build its mission and realize their full personal and personal aspirations.


**PARTNERS:** Our goal is to foster long-term, mutually beneficial relationships with our partners, suppliers, business and R&D collaborators to help accomplish the company's mission. We support these relationships with full and honest communication of the company's goals and by working closely with our partners to realize our common objectives.

**COMMUNITY:** We are committed to being a responsible corporate citizen. Invitrogen will strive to be a positive force on issues related to the environment, education, health, and social welfare. In addition to having a reputation as a company that treats its customers, partners, employees and stockholders fairly, we strive to build a reputation as a responsible, supportive member of the communities where we are located.

**STOCKHOLDERS:** We endeavor to provide consistent, outstanding returns to our stockholders over time.

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## HR Strategic Plan – Proposed HR Scorecard Measures

<ul style="list-style-type: none"> <li>● <b>Staffing</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Time to Hire</li> <li><input type="checkbox"/> Cost Per Hire</li> <li><input type="checkbox"/> Offer Acceptance Ratio</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● <b>Rewards</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> % of EE Participation in ESPP</li> <li><input type="checkbox"/> % of EE Participation in 401(k)</li> <li><input type="checkbox"/> # of Exits Due to Compensation Issues</li> <li><input type="checkbox"/> Employee Comp/Benefit Score from Survey</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>● <b>Performance Management</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> # of Employee Relations Issues</li> <li><input type="checkbox"/> Involuntary Terminations</li> <li><input type="checkbox"/> % Performance Reviews Complete</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● <b>Retention</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Voluntary Turnover %</li> <li><input type="checkbox"/> Voluntary Turnover 1st 24 mos. of Employment</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>● <b>Employee Development</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Promotions From Within</li> <li><input type="checkbox"/> % of Payroll Spent on Training</li> <li><input type="checkbox"/> # of “A” Candidates on Succession Plan</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● <b>Quality</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> % of All HR Processes Documented</li> <li><input type="checkbox"/> Maturity of HR Processes</li> <li><input type="checkbox"/> Mistakes Leaving HR</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>● <b>Morale</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Employee Satisfaction Score from Survey</li> <li><input type="checkbox"/> # of E-Mails on Pride E-Mailbox</li> <li><input type="checkbox"/> # of Company Wide Communications</li> </ul> </li> </ul>	<div style="text-align: right;">  </div>

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## HR Strategic Plan – Measures of Success



- Listed as Fortune's 100 Best Companies to Work For
- Fast Company's Best Companies List
- Business Journal's Top 100 Companies
- Recognized as Employer of Choice in Our Industry and Community
- Malcolm Baldrige (or similar award)
- Our Employees are Being Recruited to Other Companies?



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## HR Strategy – Executive Summary



**In Summary, the HR Strategy to Achieve World Class Status will be Accomplished By:**

- Hiring Top Quality HR Talent with the Experience and Skills Required to Meet and Exceed our Customers Needs
- Organizing to Support the Achievement of Corporate Goals and Objectives
- Flawless Execution of Administrative and Transactional Operations through Training, Process Re-Engineering and the Effective Use of Technology
- Partnering with Line Management to Provide Value-Added HR Services Linked to the Corporate Business Unit and Functional Strategies
- Being the Employee Champion by Establishing a Positive Work Environment and Providing Resources required that help Employees Meet the Demands made on them while Concurrently Achieving their Personal and Professional Goals



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