

## Loss of a Stock Employee

As manager of your company's Stock Administration group, you feel confident that things are going well. Transactions are being processed in a timely manner, employees are receiving needed communications, financials are updated on time quarterly, and there don't seem to be any compliance issues.

Suddenly, your long-term Stock Administration Manager decides to leave the company. It could be for any of a variety of reasons: a better opportunity, a promotion, maternity leave, ill health, or a disagreement with a colleague or management. That confident feeling you had about the stock group quickly flies out the window, along with your former employee!

Sound far-fetched? Unfortunately, it's all too common! At Stock & Option Solutions, we walk into situations like this every month. The good news for you is that companies such as SOS can provide you with experienced, qualified equity professionals who will help you out during such emergencies. The less welcome news is that even experienced equity professionals cannot prevent confusion and wasted down time if a company is totally unprepared for the loss of a Stock Administrator.

So what can you do to prepare for the eventual departure of an essential stock employee?

1. Cross train employees. No person should be an island; at least one other person should always know how to do the bare minimum of another employee's job.
2. Plan for succession. If a critical employee leaves, who would you promote within the organization to take over? Identify the person and help them learn what they need to know, while the critical employee is still part of the organization.
3. Document all processes. There should be a written description of every critical task within the organization.
4. Focus first on complicated processes. If there are processes that require a great deal of detailed manual manipulation, give these priority in the documentation process. Such processes can and should also be analyzed to determine if there are better, less manual ways to accomplish them.
5. Review all processes regularly. Your employees may be doing something manually because your equity system could not manage it seven years ago, but there's a good chance the problem has been corrected since then. Review all of your processes every few years to determine if you're using up-to-date "best practices".
6. Automate when possible. Auditors look more favorably upon data that is not manipulated, and automated processes are faster, more efficient, and less error prone for the department.

This is all basically Management 101; however, in our experience many managers fail to spend much time on such pro-active planning.

You may think that this is good advice, but you're just too busy to do any of it. One more piece of good news is that equity professionals at SOS are experienced at training employees, documenting equity procedures, and analyzing stock processes. Time and money spent on these management essentials now will save you plenty of time and money later, when you're dealing with the unexpected loss of an employee.

### About Stock & Option Solutions

Stock & Option Solutions (SOS) has built a team of extremely qualified and dedicated professionals for the outsourced management or staffing of your stock plans and special projects. SOS's Stock Plan Outsourcing Solution is the most comprehensive outsourcing service in the marketplace, making the choice easy.

Beyond our total outsourcing solutions, we are focused on helping companies like yours through challenging steps with temporary staffing, permanent placement, expert project resources, and high level project management. Call us today at 408.979.8700 to learn more or visit us online at [www.sos-team.com](http://www.sos-team.com).

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