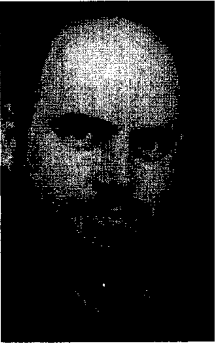


# The Benefits of an Active Corporate Alumni

by Frank Potter



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## The Benefits of Staying In Touch with Your Ex

**W**hat do Ernst & Young and the Lahey Clinic have in common? Both organizations use Corporate Alumnus to maintain contact with former colleagues. Corporate Alumni fall into one of three categories: informal, passive and active.

An informal alumnus is what you probably have right now. It is the professional and personal relationships between former employees and the organization. Passive alumni maintain a record of members themselves or through affiliated organizations such as professional associations. An active Corporate Alumni maintains the bond between the organization and its qualified ex-employees who have left for greener pastures.

Alumni status is extended to individuals who have departed on good terms and agree to maintain contact post-employment. Potential benefits of a Corporate Alumni for a healthcare organization include:

1. **Ambassadors:** if your organization is in the news, then your ex-employees are likely being asked their opinion about the situation. By giving them the facts up front, they can help to tell your story and assist in protecting your image and brand management.
2. **Affiliates:** Ernst & Young uses its Corporate Alumni to establish sales and supply relationships. While these are important to any healthcare organization, they are critical to your foundations, volunteer department and auxiliaries. Regardless of whether a person is currently active in the labour market, retired or on a family time-out, he or she may be interested in becoming a board member, a volunteer, or an active ambassador.
3. **Friends of Health:** You probably give your current staff sneak previews of organizational initiatives such as tours of new clinics or equipment unveiling. Inviting ex-employees to these events lets you stay in touch and lets your alumni enjoy the positive emotional connection of being associated with such initiatives.
4. **Objective 3<sup>rd</sup> Party:** Braver organizations may consider using the alumni to vet ideas, policies or review processes. This is a knowledgeable group of people who are detached from the current organizational politics and who will give you brutally honest answers to questions your active employees may shy away from.
5. **Re-recruitment:** Your Corporate Alumni is doomed to failure if the only reason it exists is to re-hire those who have left. Nevertheless, there is a powerful economic argument for bringing qualified individuals back into the organizational fold.

**Abstract:**  
Corporate Alumni allow organizations to maintain contact with individuals post-termination. Beyond re-hiring former employees, Corporate Alumni help healthcare organizations stay in touch with the community. Strategies to start an alumni program are the subject of this column.

Steve Richmond from Selectminds.com, a leader in providing corporate alumni infrastructure to organizations, provides some interesting facts. Former employees are cheaper to hire, take less time to become productive and stay longer than first-time hires. Considering that a Critical Care Nurse in the US costs on average \$26,000 to recruit and may then require an extended orientation period, a Corporate Alumni seems to make good sense.

So if a Corporate Alumni program is so terrific, why are there not more of them? The answer is three-fold. Firstly, healthcare organizations in Canada tend to be late adopters of new ideas. Secondly, the emotional bonds between healthcare employees and the clients and patients they serve, creates a corporate culture I call the 'Healthcare Ethos'.

The ethos is a powerful motivator and creates lasting friendships; the flip side is a sense of betrayal when an individual leaves this closely-knit group. A Corporate Alumni can only be successful with a cultural shift that sees former employees as assets and ambassadors rather than traitors.

The third and most practical reason for so few Corporate Alumni is money. Setting up an active alumni program requires staff, systems and aggressive marketing. Alternatively an organization can outsource these functions; according to very rough estimates, a 5,000 employee organization with about 10% staff turnover can expect to spend \$80,000 to \$120,000 USD in start-up costs and about the same in yearly fees to create and maintain a world class alumni system.

Starting with a passive alumni, building in-house or extending existing Human

Resource Systems are three ways to get started on the cheap. Because most of the start-up costs involve security and infrastructure costs, health organizations may consider sharing this initial burden by developing umbrella systems with provincial health associations, local governments, pension authorities and other public institutions like universities.

The ranks of health professionals in Canada are thinning. Re-hiring someone known to the organization for less money, who produces faster and stays longer, can help health organizations manage this risk. Add to this the benefits of better foundations, volunteers and active community ambassadors at Canadian healthcare organizations may want to join the ranks of those who have already established their own Corporate Alumni programs.

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