

SHERMAN CONSULTING

PROFESSIONAL RECRUITMENT PROPOSAL

This proposal is deigned to address future recruitment needs for the Client for projects to be carried out on Guam and in the associated region. The proposal will outline Sherman Consulting's:

1. Background
2. Candidate pipeline and talent pool generation
3. Management approach of any subcontractors required to fill high volume tasks,
4. Associated technology requirements,
5. Structure of local pay roll and management team
6. Framework of any proposed agreement between the Client and Sherman Consulting.

1. Background

Sherman Consulting welcomes this opportunity to present a proposal for staffing and recruitment services to support the Client for projects associated with NAVFAC Pacific. Our services will address the following:

- Hiring and recruitment of permanent engineering staff
- Contract engineering staff
- Management of those suppliers providing high volume semi skilled staff

The recruitment of engineering staff into Guam presents considerable challenges. Geographical location, possible salary misalignments with mainland US, cost of relocation and logistics associated with the recruitment, and the selection and interview process will all have impact on hiring. However, given correct preparation and certain degree of flexibility from the hiring parties, these are all issues that can be overcome.

A number of job/position related positives are also highly evident which need to be leveraged during the attraction and recruitment process. These include such aspects as geographical location, continuity and commitment of projects and work. There will also be a visible degree of career progression associated with these projects that will prove a positive step to a candidate's career path once an individual leaves the local work force and returns to the main land.

Sherman Consulting's Human Resource Consultant, Nick Forte, has been involved in supporting the recruitment needs of construction and engineering contractors and oil firms for over 20 years. Clients have included:

- Foster Wheeler
 - supplying inspection staff for refinery shut in Europe

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- supplying estimators for major projects in Europe
- British Petroleum
 - supplying planning engineers and estimators for one of the main offices in London
- Lloyds Register London
 - supplying stress analysts and geotechnical engineers / soil physicist.

Numerous projects were completed in the UK supplying high volume teams of trades staff to building contractors covering construction managers, electricians, welders, plumbers, carpenters etc. Our work with the Aecon Consulting group entailed providing candidates for Queensland based projects which included such skills sets as pavement engineers and project managers. Sherman Consulting has also worked with water and utilities companies in which we have supported contract estimators, planners, network water model and drainage modelling engineers. Most recently our firm supplied shipyard management for a Defence project in North Australia, included here were short-listing ILS engineering Managers and shipyard construction managers.

2. Candidate pipeline and talent pool generation

A high degree of activity will be required to generate a consistent candidate flow; this can only be achieved by building multiple delivery systems working in tandem. These delivery systems should be designed with a view to address the total recruitment future demand, rather than just providing short-to-medium term recruitment needs.

The focus should be on generating candidates from the following target markets;

- the local network
- mainland US
- overseas and foreign nationals

In the first instance, in order to overcome the initial geographical challenges, emphasis should be focused on the local Pacific region talent pool or individuals that have worked on Guam in the past.

Local Pools will include Micronesia (Palau, Federated States of Micronesia, Northern Mariana Islands, the Marshall Islands), Hawaii, US expatriate, SE Asian and Asian Pacific applicants and US mainland based expatriate Guamanians.

Our proposal would be to implement the following applicant feeder systems:

- Sherman Consulting local networks
- Sherman Consulting local file searches and local search and selection activity
- Construction of and associated publicity and advertising of a purely Guam based job website
- Networking and utilizing US mainland based Guamanian expatriate social networks and groups

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- Deep data mining of Asian and US based CV / resume databases focusing on individuals that have worked in Guam in the past
- Teaming agreements with local Guam & CNMI government supported job-finding networks
- Feeds from local educational establishments
- Heavy use of professional engineering networks, social networking sites etc
- Continuous advertising on mainland based job-boards
- Contact with ex and current US Forces networking groups
- The acquisition and use of professional membership lists

Overseas and Foreign Nationals

Overseas and foreign nationals will prove a good source of additional high calibre candidates for senior engineering roles. Our research shows that the best targets for such individuals would be Australia, New Zealand and the UK followed by South Africa and mainland Europe. Australian and British nationals should be easy to integrate given the high degree of professional qualifications, mobility of the labour and language. Research also shows that geographical location may prove a significant attraction factor for UK based engineers, whilst given Guam's relative proximity to Australia is a plus point for nationals from this country.

Recruitment methods for generating candidate flow from Australia / NZ and UK would be straight forward given the excellent coverage of a few key job posting and resume databases and websites in these countries. Should the misalignment of salaries start to have a major impact on recruitment then a possible solution would be to look at mainland Europe with particular focus on the Spanish, Italian and Portuguese labor markets, where traditionally salaries for engineering staff are lower than in other regions, due to high government contributions and taxes. The educational standard and experience of these nationals would be of the highest standard, though language skills would prove a significant filter in reducing the number of suitable staff. But, once again, due to extensive coverage by a small number of job boards, recruitment from these countries would be fairly straightforward regarding generating initial interest.

Given the recent changes in visa quotas for Guam, the overseas candidate route is one that needs to be kept in mind. It should also be noted that Australian nationals are given preferential treatment and fall under a completely separate visa quota than other nationalities.

If the overseas recruitment pipeline was to be instigated then an added aspect to our services would be the management of all visa applications and processes via our in house services (see human resources proposal)

We would feel confident that the aforementioned recruitment methods would be able to deliver candidates in such areas as –

- Professional construction managers (construction oversight engineers)
- Construction safety managers
- Quality Assurance engineers Inspector and technicians

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- Schedulers and Planners
- Cost Estimators

3. Management of any subcontractors required to fill high volume semiskilled tasks

Sherman Consulting is dedicated to providing a seamless and complete recruitment and staffing solutions. The high volume semi-skilled labour hire sector is an area that could be served by Sherman Consulting's Filipino based manpower services partners. Economies of scale can be achieved by the Client in numerous areas given a "prime contractor" type arrangement. Integration of the invoicing process, timesheet management, monitoring of quality standards and KPI's, plus technological integration of Applicant Tracking Systems (ATS) are all areas that would benefit from a close teaming relationship with Sherman Consulting and our Filipino subcontract labour firms.

With the above point in mind, we would welcome, and see as key, the idea of Sherman Consulting supporting and assisting in the selection process of one of our Filipino subcontracting labour firms. Our input here would cover such areas as identification of suitable partners, quality control audits, and reference and background checks on previous projects completed. We would also undertake price, contract and terms negotiations in relation to the delivery of the end service. Clearly major input would be required by the Client regarding potential labor high levels during the term of the project.

4. Technology requirements

Sherman Consulting has an established relationship with an Indian subcontinent-based technology development group whose ATS system we can carry. This particular ATS system also provides a number functions that offer a full job posting website embedded into the package. The technology also offers the ability to develop, or interface with, specific time and records keeping software as well as the ability to interface with accounting packages. These will be key requirements for any high volume contractor manpower administration requirements. We would be happy to discuss the technological needs in more detail once the project gets under way.

5. Structure of local pay roll and management team

The team will be headed up by Sherman Consulting's Human Resource Consultant, Nick Forte. Nick is a professional recruitment consultant and business manager, with over 20 years experience within the industry gained in the USA, Australasian and mainland Europe. Nick has recruited higher-level engineering staff within many sectors including defence, construction and oil and gas. He brings considerable knowledge to the table, covering not only recruitment/talent acquisition methods and technology, but also a very deep understanding of the manpower staffing business covering search & selection and engineering contractor management and labour hire operations. Nick will be supported via a local Guam-based team, to be appointed as the project builds.

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The operation and office will be based on Guam with set-up and infrastructure conforming to all local and national standards. Payroll and administration of contract staff will be done locally. Government deductions and taxes, etc., will be filed locally, guaranteeing full and total payroll tax compliance under US federal law.

6. Frame work of any proposed agreements between the Client and Sherman Consulting

There are a number of solutions for a potential arrangements, including:

- 6.1 Retained recruitment services for contract staff or permanent hires (see attached terms).
- 6.2 A full Recruitment Process Outsourced (RPO) agreement
- 6.3 Sherman Consulting is appointed as Prime Managing Agent.

Given that solutions 6.2 and 6.3 would warrant deeper discussions, no indication of prices of service fees has been provided for these.

These options can be tailored to meet the needs of the Client, as the projects and workload build. The solutions in this document can be delivered as one cohesive plan or delivered as modular solutions.

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