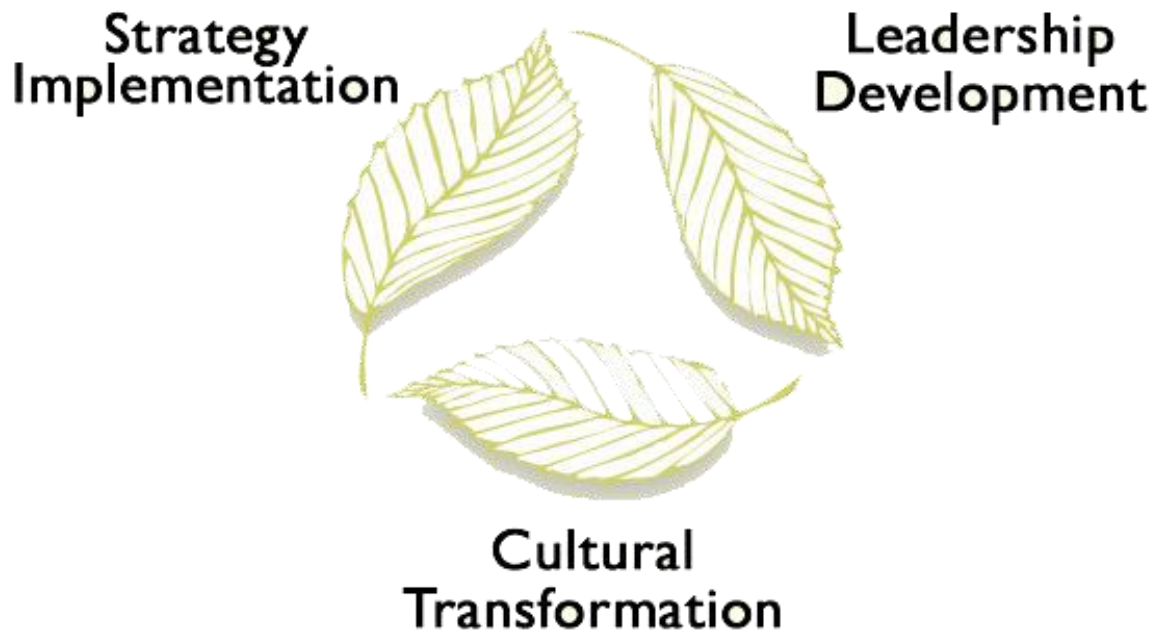


ABOUT

Business success requires strong strategic thinking and leadership ability to align an organization around a clear, compelling vision and direction. Our partnership is designed around the blended delivery of both strategy and organizational capabilities. We have demonstrated that this model produces solid, breakthrough strategies and taps the collective energy and ambitions of people at all levels, so the full potential of those strategies can be realized.



The true challenge in business transformation or systemic change lies not in the development of a strategy, nor in the installation of a set of cultural practices. What is critical to success, and more difficult to achieve, is the design, prioritization, and implementation of key strategic initiatives which will create the desired transformation. We define these key initiatives as those essential to fulfill the vision and to solidly establish the environment in which the new strategies succeed.

We are focused on action. Taking a holistic approach, we embrace the tough cultural and developmental challenges, facilitating resolution of the most complex business and political issues in service of sustainable transformation.

We take pride in being partners in developing new perspectives, taking bold action, and the achievement of an unpredictable future.

STRATEGY IMPLEMENTATION – LEADERSHIP DEVELOPMENT – CULTURAL TRANSFORMATION

SERVICES

We work with you to identify which elements of our offerings will round out your own capabilities and support you in fulfilling your vision. We co-design a fully integrated approach in which leadership alignment and strategy implementation are dominant and integral threads in the fabric of your business.

IMPLEMENTATION STRATEGY & PLANNING

- Business plans and business cases
- Strategic initiatives
- Migration Planning

CULTURAL TRANSFORMATION DESIGN & MANAGEMENT

- Identification of cultural barriers to strategy implementation
- Definition of new cultural values and behaviors
- Integration of cultural transformation planning with strategy implementation
- Development of plan for achieving cultural transformation
- Cultural transformation curriculum design consulting

EXECUTIVE COMMUNICATION STRATEGY, PLANNING & IMPLEMENTATION

STRATEGIC ANTI-BRIBERY & THIRD-PARTY COMPLIANCE PROGRAMS

TEAM ALIGNMENT & MOBILIZATION

VISION & STRATEGY DEVELOPMENT

- Growth
- Operational excellence
- Cost restructuring
- Action-based research & analysis

SENIOR LEADERSHIP COACHING & FACILITATION

- Dialogue & alignment on strategy
- Alignment with board, executives & organization
- Development of an integrated approach for change management, team development & education

LEADERSHIP DEVELOPMENT CURRICULUM DESIGN CONSULTING

EXECUTIVE COACHING & DEVELOPMENT

OPERATING MODEL DESIGN

CEO THOUGHT PARTNERSHIP

STRATEGIC INITIATIVES PROGRAM MANAGEMENT

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CLIENTS

At Alder Associates, our strength comes from our commitment to working across industries, bringing a unique, objective perspective on a broad spectrum of issues that undermine performance in both for-profit and non-profit environments.

ALLSTATE INSURANCE CO.	ASSOCIATION OF CORPORATE COUNSEL	BELLSOUTH	BP/MOBIL
BUDGET GROUP	CAMPBELL SOUP COMPANY, CANADA	CATALENT PHARMA SOLUTIONS	COUNCIL ON LEGAL EDUCATION OPPORTUNITY
CUNNARD-ELLERMAN SHIPPING, UK	DUPONT	GE CAPITAL	GENERAL GROWTH PROPERTIES
GM HUGHES ELECTRONICS	GOLDMAN SACHS	HEWLETT-PACKARD	IBM CORPORATION
INGERSOLL-RAND	INTERNAL REVENUE SERVICE	LAND ROVER CORPORATION, UK	LOCKHEED-MARTIN
MAC TOOLS	MARION MERRILL DOW, INC.	MINORITY CORPORATE COUNSEL ASSOCIATION	NATIONAL ASSOCIATION OF CORPORATE DIRECTORS
NATIONAL INSTITUTE OF HEALTH	PAN AMERICAN HEALTH ORGANIZATION	PARTNER'S HEALTHCARE	PERSONIC
PROCTOR AND GAMBLE, USA & UK	RVI	SAINT JOSEPH'S REGIONAL MEDICAL CENTER	SALT RIVER PROJECT
SEARS	SHORE MEMORIAL HOSPITAL	SOUTHWESTERN BELL DIRECTORY	ST. JOHN'S COMMUNITIES
TEKTRONIX	THE LIMITED CORPORATION	THE NPD GROUP	THE ROUSE COMPANY
TRINITY CHURCH-WALL STREET	TYCO INTERNATIONAL	US AIR FORCE AERONAUTICAL RESEARCH	*This list was created August, 2012. It is possible that it no longer includes all clients. For the most up to date Client List, please check the website.

STRATEGY IMPLEMENTATION – LEADERSHIP DEVELOPMENT – CULTURAL TRANSFORMATION

CASE STUDIES

CASE STUDY – INDUSTRIAL CO

Implementation of a new CEO's vision for a traditional manufacturing company. This case study illustrates how we helped a traditional manufacturing company open up a new world of growth and intra-company collaboration, generating over \$650 million in annual revenues and over \$275 million in improved annual productivity. It also outlines how we transferred the approaches and techniques used, enabling the company to add programs with similar impact every year.

CASE STUDY – LEASECO CORP

New competitive position for an established company. This case study illustrates a holistic approach to strategy, leadership development and cultural transformation in the face of aggressive current-business financial targets.

***PLEASE NOTE:** The full Case Studies for both Industrial Co and Leaseco Corp are appended to the end of this document.

TEAM

Alder Associates formed in 2001 with the commitment to use our combined skills and experience to leverage our clients' success. Together, we bring a seamless combination of knowledge and expertise that enhances our clients' thinking, leadership and organizational capability.

PARTNERS

JACKIE EITING



(Bio & Contact Info Attached)

JILL IRVIN



(Bio & Contact Info Attached)

MAGGIE LARKIN



(Bio & Contact Info Attached)

LAURA PEDRO



(Bio & Contact Info Attached)

QUENTIN PRIDEAUX



(Bio & Contact Info Attached)

AFFILIATED CONSULTANTS

CINDY ABEL

DANIEL BENDER

ELLEN GAUTHIER

ROD HAINJE

TOM LUTES

JUAN PABLO MOBILI

SUZI POMERANTZ

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TEAM BIOS

JACKIE EITING



Jackie Eiting creates breakthrough performance for large organizations by integrating senior executive development with business strategy implementation. She has over 28 years experience in transformational consulting, large-scale change, and executive development, and has worked with major corporations and not for profit organizations in the US and Europe. Prior to co-founding Alder Associates, Jackie held Partnerships in Computer Sciences Corporation's (CSC) Transformation and Change Group and Charles Smith & Associates, a leading transformational consulting firm. Jackie also established her own consulting practice specializing in executive coaching, executive team development and leadership development.

Jackie has led client engagements at DuPont, The Limited Corporation, General Growth Management Company, Ingersoll Rand; IBM Corporation TYCO , Catalent Pharmaceuticals, The RVI Group, The Rouse Company, EMCO Ltd., Canada, ,Cunnard-Ellerman Shipping, Marrion Merrill Dow, Inc., Campbell Soup Company, Canada, Land Rover Corporation, US Air Force, Aeronautical Research, Procter and Gamble, St John's Communities, Milwaukee; Trinity Wallstreet; Pan American Health Organization; and Shore Memorial Hospital ,NJ and the Minority Corporate Council Association. Jackie earned a BA in Political Science from Northwestern University and a Masters of Psychiatric Social Work from the University of Hawaii.

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TEAM BIOS

JILL IRVIN



Jill Irvin is a partner at Alder Associates LLC where she specializes in business strategy and operating model development. Her skills include global growth strategy, strategic program design and management, operations and cost restructuring, merger integration, governance design and organization design.

Jill has led numerous strategy engagements across North America and Europe including work at Tyco International, the World Health Organization, Trinity Church – Wall Street, DuPont, Partners Healthcare, General Growth Properties, Budget Group, Salt River Project and Ingersoll-Rand. While Jill's work primarily focuses on Fortune 500 clients, her capabilities have translated into non-profit and entrepreneurial environments.

Jill also contributes to the development of global anti-bribery and corruption programs, serving as the program manager for the design and implementation of a global transformation to avoid bribery and corruption in adherence with the Foreign Corrupt Practices Act ("FCPA") among a Fortune 100 client's vendors, distributor/pure reseller customers, and business representatives. This two-year effort included strategic program and organization design impacting 65,000 third parties in 56 countries, linking regulatory requirements with financial management protocols and global governance. The ongoing program has been recognized externally as the best-in-class benchmark of Anti-Bribery and Corruption programs.

Before joining Alder Associates, Jill was a principal in Computer Science Corporation's (CSC) Strategic Services Practice where she managed client and practice development responsibilities. She has a Master's in Business Administration with a concentration in strategic management and a Bachelor's degree in English.

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TEAM BIOS

MAGGIE LARKIN



During her career Maggie Larkin has consulted with executives and business leaders in numerous Fortune 500 corporations and start-up companies. She has worked in diverse industries such as utilities, chemicals, agriculture, finance, high technology, and insurance.

Maggie has over 20 years experience as a consultant and executive coach. Specializing in transformational consulting and executive development, she is known for her ability to assist people in attaining higher levels of performance and effectiveness.

A rigorous coach, she is highly experienced and effective with groups of all sizes; people of diverse backgrounds and levels of seniority. A behavioral expert, she quickly identifies the limiting behaviors of individuals and team members and helps them discover new ways of operating which are consistent with their goals and values. She provides invaluable input to enable people to move beyond their limiting behaviors to become high performance teams producing extraordinary results.

Maggie is highly skilled in clarifying what leaders want to say when faced with bringing a new organizational future into existence. Through her strong coaching relationships, people are able to recognize and move beyond their own limiting behavioral models and achieve leadership effectiveness beyond what they thought possible.

Maggie's clients include, Dell Corporation, CNA Insurance, Zurich Insurance, Inco, Ingersoll Rand, Abbott Laboratories, Salt River Project and Goldman Sachs.

Maggie received her Bachelor of Arts degree in Sociology from California State University, Long Beach, CA. She has continued her education in strategic management and communication.

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TEAM BIOS

LAURA PEDRO



For over twenty-five years, Laura Pedro has helped leaders of Fortune 500 companies stimulate breakthroughs in their businesses. Today she works primarily with senior executive teams. Her clients tap the power of human commitment by simultaneously addressing strategic business issues and the leadership and culture issues that surface during implementation. Her broad range of experience, including successful leadership development, culture change, new product time-to-market projects, and strategy implementation, gives her the skills needed to design and deliver engagements that produce both concrete financial results and the shift in human relationships that lead to sustained success.

Laura has multi-industry experience, including such companies as GE, Sears, NFO Worldgroup (now a subsidiary of TNS), Catalent Pharma Solutions, Allstate Insurance Co. and Tektronix. She has worked with global companies with locations in North America, Asia-Pacific and Europe. She spent two years living in Europe working with the challenges of a merged organization as it shifted to a Pan-European strategy. She also helped Islandwood (a non-profit that works with schools to provide science, art and technology education in an outdoor setting) create a program that supplements their grants and donations by working with for-profit businesses.

Prior to co-founding Alder Associates, Laura was a Vice President and Partner at Computer Sciences Corporation (CSC), where she led the Organization Transformation Group. Previously, she was a Vice President of CSC Index Consulting. During her time with CSC, she was responsible for the results of major engagements with clients including BP/Mobil, Lockheed Martin and General Motors.

Laura's recently co-authored with Marshall Goldsmith, Kathy Greenberg and Ken Blanchard the book, Ready, Aim, Excel, the expert insights weekly guide to personal and professional leadership. It was an international best-seller and best-seller in three categories on Amazon.com.

Laura also works with the Boards and selected staff members of local non-profits to help them create clear strategy and navigate through transitions from one stage of development to the next. Over the last three years, she has worked with the Executive Directors and/or Boards of over 12 non-profits in the Portland area. She serves as a member of the Board of Directors of Our House of Portland.

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TEAM BIOS

QUENTIN PRIDEAUX



Quentin Prideaux works with his Partners at Alder Associates to reveal and implement the strategies that will lead organizations to breakthrough results. Working in the most complex business and cultural situations, Quentin assists clients in rationalizing competing priorities to bring coherence and clarity to the organization's goals. He then assists clients at all levels to structure and project-manage implementation of initiatives designed to address these goals. Throughout his engagements, Quentin dedicates significant effort to the transfer of competency to the clients with whom he works to allow them to continue strategy implementation internally once the engagement is complete.

Quentin has led highly successful strategy and reengineering engagements with Tyco International, Hewlett-Packard, World Health Organization / Pan American Health Organization, MAC Tools, Catalent Pharma Solutions, Ingersoll-Rand, British Aerospace, Lloyds Bank and other leading organizations large and small in the US and Europe.

Prior to joining Alder Associates, Quentin's experience included large-systems sales for Hewlett-Packard, board membership of a successful telecoms start-up, and strategy consulting for CSC/Index. He has spoken on the BBC and Fox Europe on the strategic impact of e-Business, and addressed conferences on relationship marketing.

Quentin holds a degree in Physics from Bristol University, a Masters of Business Administration from Ashridge Management College in England, and is a certified administrator of the MBTI, KAI, and CPI psychometric instruments.

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CASE STUDIES: CASE STUDY – INDUSTRIAL CO

SYNOPSIS

When a new CEO takes the reins of a company, he or she normally has at least three major domains of concern:

- Business content and strategy: quickly identifying key areas of focus for the business, be they branding, new competitive positioning, debt management, operating efficiency, or comparable strategic issues
- Relationship and team: making sure he/she has the right team for the job; quickly establishing teamwork with the executive team, board of directors, employees, and customers, and establishing credibility with institutional investors and analysts
- Mobilization: producing measurable results in a short period of time, including articulating his/her vision and getting the organization to implement new strategies in “record time” – often requiring cultural changes

This case study illustrates how we helped one new CEO address elements of all three and:

- Helped steer a traditional manufacturing company into a new world of growth and intra-company collaboration, releasing over \$650 million in annual revenues and over \$275 million in improved annual profitability
- Introduced changes that drove new behaviors necessary to energize the entire organization
- Helped produce initiatives and results that are completely owned by the businesses, rather than being perceived as “the consultants’ program”
- Transferred the approaches and techniques used, enabling the company to add programs with similar impact every year
- Achieved everything with a consulting budget well below 1% of one year’s profit improvement from the initial programs

COMPANY OVERVIEW

This client is a long-established company making heavy equipment for the mining and construction industries. For more than 100 years, the company had developed a stellar reputation in this area, and has recently diversified beyond its traditional base.

Through a series of acquisitions and divestments Industrial Co. had built a ‘diversified industrial company’ with a range of businesses. In the last 10 years well-known brands in personal transportation, trucking, security, and food processing were added to the portfolio.

In the late 90’s Industrial Co. executed a financial plan across these businesses to reduce working capital and thereby increase margins and earnings per share. The plan was successful, as over this period working capital was substantially reduced, and margins grew from 8% to over 14%. Meanwhile earnings

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per share grew at an impressive 22%, compounded annually. However, top-line growth over this period came primarily from acquisitions made from operating cash flows, and perhaps for this reason Industrial Co. was still perceived by the stock market as a low-growth, heavy manufacturer. The stock price underperformed its peers and trailed Industrial Co's EPS improvements dramatically.

In 1999, a new CEO was appointed. The CEO believed that while Industrial Co. had made great strides in operating efficiencies, the next task was to add an emphasis on organic growth and change the market's perception of the company. Recognizing the diversity of customers, markets, products, services, and capabilities within Industrial Co. the CEO knew that the whole was greater than the sum of the parts. He believed that by leveraging the whole enterprise new opportunities for growth could be found. He also knew that achieving synergy from the corporation's businesses would change what jobs were performed, who performed them, how they were organized and rewarded, and even how employees thought about the company and their job. This disruption would be a major challenge for the organization, and require skillful implementation if it were not to create confusion, loss of direction, and disenchantment.

The CEO chose Alder Associates to partner with him because he believed that we could understand his vision and what it would take to accomplish it across multiple dimensions: from strategic to tactical, from cultural to organizational, and from the enterprise to personal levels. He would use our experience and capabilities to supplement those of his company where necessary to achieve this fundamental transformation.

APPROACH, PART ONE

The CEO knew that he could not pull off this major change if the vision remained his, alone. He must have his executive team take on the challenge with full ownership of the vision and aggressive growth targets. Alder supported the clarification and articulation of his vision and facilitated discussions of the vision and strategy. A level of honesty that had never before been possible in those discussions resulted in a stand on the part of the executive team to more than double the size of the company in five years.

As the executives grappled with the realities of the vision and how they would achieve it, they agreed to emphasize three strategic themes:

Growth

- Rather than focusing exclusively, as in the past, on operational income they would break out growth targets and develop plans to achieve the doubling of their revenue

Operational excellence

- Financial management was still essential to control costs and to understand where profitable growth was possible

Dual Responsibility

- Increasing the value provided by the independent businesses of Industrial Co. through capitalizing on synergies would require more than restructuring. Businesses would have to adopt more integrated business models and processes. Additionally, employees at all levels would have

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to adopt a new mindset that enabled them to identify with the entire enterprise as well as their home business

The leadership team embraced the model of Dual Responsibility, a dramatic departure from the past operating model, and agreed to help redesign the company to capitalize on that possibility. Four global growth sectors were identified and an enterprise reorganization of business units, products, and markets followed.

Work was soon underway to develop a new vision for the corporate center, creating clarity and alignment on a governance model that would truly serve the future direction of Industrial Co.

Alder Associates' consultants provided support by;

- Providing best-practice expertise on corporate center design
- Facilitating client exploration of alternative models
- Developing draft business-models design to stimulate thought and discussion
- Helping key stakeholders reach alignment on a model to which they could commit

The top 200 leaders across the enterprise were convened at a leadership conference to discuss and learn about the new vision. Alder resources helped to plan the meeting and prepare leaders to accomplish the intended results. This meeting represented a key milestone for bringing the concept of Dual Responsibility off of the drawing board and into a new set of behaviors centered on collaboration, enterprise leverage, and networking.

APPROACH, PART TWO

A "strategic initiative process" was designed and agreed to. Initiatives were chartered to explore and validate new opportunities that would capitalize on cross-business synergies. In 2001, Industrial Co. launched the first set of strategic initiatives designed to produce either dramatic growth or improved profitability, with minimal capital expenditure. Business cases were developed and a process for managing enterprise-wide initiatives was adopted. The initiatives were designed to accomplish all of the following objectives simultaneously:

- Provide substantial dollar impact as well as real and sustainable business change
- Develop high-potential leaders required to manage Industrial Co.'s growth
- Create practical understanding and application of Dual Responsibility across multiple businesses and levels within the organization

Upon launch of the initiatives, behaviors and policies associated with the old, autonomous culture emerged, including:

- Lack of effective transfer pricing between businesses
- Inability to portray one-face to the customer through a common approach to selling, terms and conditions, and administrative processes

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- Increased complexity created by multi-dimensional internal and external relationships
- Misalignment of existing goals between the sourcing and selling organizations
- Unavailability of shared, timely business information across the organization

Alder Associates coached both team leaders and sponsors, working with them to understand and address these challenges in a way that would produce one of the benefits required of the initiatives - real business change. While in many cases short-term work-arounds for these issues may have been feasible, it was the role of the initiatives to reveal the “rocks lurking beneath the surface” that could undermine enterprise synergies. By identifying the obstacles and working together to resolve them, the initiative teams cleared the way for lasting transformation.

When, by the beginning of 2002, the initiative process was seen to be a success, and the vision was being driven further into the organization, the leadership team decided that the ability to conceive and run strategic initiatives should be brought in-house. As the 2001 initiatives moved out of the planning phase and into implementation, Alder worked with the client to design and staff an Enterprise Program Office (EPO). Alder consultants worked with the new group to transfer to them all relevant learning, tools, techniques and documentation from the strategic initiative process. A broad range of approaches was used to maximize take-up and understanding, including:

- Full documentation of the strategic initiative management process
- On-the-job coaching in the implementation of this process for 2002
- Personal effectiveness coaching
- Extensive competency-transfer sessions on areas chosen by the EPO and modeled specifically around the strategic initiative management process
- Short-term role filling as requested by the EPO as it staffed up

OUTCOMES

Today, Industrial Co. has established new pathways for the dramatic growth and increased profitability of its existing businesses without requiring high levels of capital expenditure. The new CEO leveraged Alder resources to help move his vision into action crisply and quickly, while producing the following results:

- The initial strategic initiatives have been launched, and these alone will achieve over \$650 million in incremental annual revenues and over \$275 million in improved annual profitability
- An Enterprise Program Office has been established, institutionalizing philosophies and processes that will continue to generate and sustain what has been begun. It has recently launched the second wave of enterprise initiatives targeting more business growth and improved internal capabilities
- The organization is living the cultural shift to “Dual Responsibility” through practical, business based activities

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- Through the initial strategic initiatives, high potential leaders have been developed and stepped into new business roles. Upcoming initiatives will be vehicles for the ongoing development of new leaders
- A generative, engaged network has been established, allowing for the collaboration and synergy of people who knew little about other Industrial Co.'s businesses or their leaders prior to the effort

The initiatives and their accomplishments are completely owned by the businesses, rather than being perceived as “the consultants’ program”, and it all has been achieved with a consulting budget well below 1% of one year’s profit improvements from the original strategic initiatives.

CASE STUDIES: CASE STUDY – LEASECO CORP

BACKGROUND

The largest company in its industry, Leaseco had been established by an International cast of players from Europe and Asia, with headquarters in the United States. Growth was phenomenal, and, in a few years, it was a dominant player in the industry. Such results attracted the attention of a Fortune 50 U.S. company (Parentco), and Leaseco was acquired.

Parentco had very aggressive growth targets for all of its businesses, and for the first several years after the acquisition, Leaseco successfully achieved those targets. By the mid-nineties, however, things had changed. Leaseco had not met its financial targets for the previous two years. It had demonstrated to Parentco that this business was cyclical in nature, and that it had been in the down-cycle. They were confident that the cycle was beginning to turn up again. However, there were other issues as well, that drastically inhibited the potential for future growth and profitability.

Leaseco was established when its business concept was new and there were very few competitors. As the concept was proven, however, competition increased rapidly because startup costs were low. In some ways, new entrants had an advantage in that their assets were also new, and customers preferred to lease the new products. Leaseco found itself with very large numbers of older (though still usable), less desirable assets on its hands. The resale market for these older assets was almost negligible, and Leaseco could not dispose of them without taking a major loss on its books. That action was unacceptable to Parentco. Leaseco's strength – its size and reach – had become its Achilles heel.

The President of Leaseco recognized that the company could not continue to operate as it had since its inception if it was to have a chance of being a growth business. Instead, it must change the very nature of competition. On top of that, it must do so while leveraging existing business to increase net income by 2.5 times the previous year's results.

Scope of Project

The project to be undertaken was nothing less than the reinvention of Leaseco while mobilizing its employees to meet the challenging targets for the current year. Some likened this to "changing a tire while going 90 miles an hour down the road".

By "reinvention" Leaseco meant renewal of the company through:

- Devising and implementing strategies that would enable Leaseco to break through its limitations and create a new competitive landscape for itself
- Developing cultural disciplines consistent with the new strategies
- Developing leadership skills required to carry the company through this undertaking

APPROACH

After working with the President to better understand his vision, align with him on the approach of the first phase of work, and support communication to the rest of his executive team, the consultants conducted a series of interviews. These gave the consultants a cross-functional, cross-regional and multi-level view of

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the point of departure for the effort. It also enabled them to identify cultural and leadership issues that must be dealt with.

While the interviews and the summary of findings were being completed, preparation was underway for the first executive workshop. This first workshop developed a shared understanding among all of the executives regarding the current state of the business, including a view of how

Leaseco stacked up against its competition. The executives also confronted the “cultural gaps” between those from the original Leaseco (with a very entrepreneurial culture) and those from Parentco (with a very disciplined culture). They left the meeting with a greatly enhanced sense of team and a commitment to lead Leaseco to a new future.

During a second executive workshop, the leadership team co-created:

- New vision for Leaseco
- Three strategic initiatives to be validated with business cases
- A way to describe the culture required to support the new vision and strategy
- A fourth initiative designed to create innovative ways to ensure the current year’s results

They also left with a high-level roadmap for engaging the rest of the company, validating and piloting new strategies, and leading their reinvention.

Phase Two began with two major activities: a world-wide teleconference to share the new vision and inform people of next steps, and an in-person meeting of approximately 50 Directors from around the world. During the directors’ workshop, there was an opportunity for participants to grapple with the challenge of this year’s targets and to reach authentic alignment with the goals. They embraced both the current year’s targets and the long-term vision, and dealt honestly with cross-functional, cross-regional and Parentco/Leaseco issues, emerging as an extended leadership team. Finally, they began to develop action plans for dealing with their challenges.

Three Initiative Teams were composed of people from all regions, housed in the United States for two months, to develop validated business plans for their strategic thrust. At the end of the two months, two of the three initiatives were validated and went into the pilot stage.

Meanwhile, regional meetings were held to recreate the results of the directors’ workshop and mobilize all employees, as well as to introduce new cultural disciplines to support the new vision. These meetings raised people’s sense of responsibility and commitment to help build a new future, and energized the organization as one global team focused on a common outcome.

Phase Three dealt with piloting new strategies, practicing new disciplines, dealing with breakdowns and managing the results of the current business. All of this included new levels of global communication and cross-regional collaboration to overcome barriers and keep energy high.

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OUTCOMES

Two fledgling businesses were piloted:

- One developed new markets for older assets
- The second was a new service for existing customers – one that would place Leaseco in a new relationship to the industry, lessening its dependence on the commodity side of the business

Leadership capability was significantly developed:

- Leadership skills became much more visible, enabling executives to identify the “up and comers” as well as the weaker links
- Leadership became a shared phenomenon, rather than being viewed as simply the job of the president

Cultural disciplines were embedded in the fabric of the company:

- Challenging assumptions in order to create new possibilities for action
- Making bold commitments and creating ways to fulfill them
- Managing seemingly insurmountable problems
- Nurturing entrepreneurial ideas
- Embracing necessary discipline
- Active mutual support and coaching

Net income for the year was double that of the previous year. Even though two large customers declared bankruptcy during the course of the year, canceling their leases and costing Leaseco approximately as much in net income as it made the entire year prior, Leaseco only missed its aggressive financial targets by 9%.