

Quarterly Newsletter

SECOND QUARTER 2006 Update

Inside this issue:

Second Quarter 2006 Update	1
Product Spotlight: <i>Assessing Managerial Success</i>	2
Saluting our Clients: <i>Dr. Saad Barrack, MTC-Vodafone</i>	3
Our Website	4
"People to People" Ambassador Program	4
Marketing Event: Trade Show Sponsor <i>OD Network Conference 2006</i>	5
Upcoming Certification Dates	6
2006 Annual Meeting <i>Madrid, Spain October 2-6, 2006</i>	6
Celebrating Successes - <i>Proven Performance A Culture Survey Case Study</i>	7
Product Spotlight: <i>Survey Measures Team Effectiveness</i>	8
Twin Guides to Survey <i>Nuts and Bolts:</i>	9
Calendar of Events	10
Support Line	10

We entered 2006 with three important goals:

1. Grow our revenues
2. Improve our profitability
3. Strengthen our service delivery capability

I am happy to report that we have exceeded two of our goals for this quarter, revenue growth and profitability. We are still working on our staffing, however.

All the credit for our success goes to our clients for their support and loyalty. We served over 20 clients worldwide this quarter – in the Middle East and South East Asia, Europe, and America; across several industries such as banking, biotechnology, government, high technology, home building, law enforcement, property management, and manufacturing.

The release of version 6.0 of our flagship-training

product **The Profession of Management** was an important achievement. The credit goes to my colleagues and good friends Ray Burch and Kent Nethery, who have spent endless hours and days in its creation.

Our goal since 2002 has been to convert our training products from a didactic to an action-learning mode. Based on the initial feedback, I can confirm that we have arrived at our destination. We plan to apply this knowledge to our remaining products.

One of our long-term strategies is the continued development and expansion of our global distribution channel. We have made some important progress in this area. We have identified potential partners in Hungary, Italy, Malaysia, Switzerland, and the UK. We should begin to see results from this effort in 2007.



Tony Tasca, Chairman of Louis Allen Worldwide

One last item. I had the opportunity to present a paper at the *Management Education in the Euro-Mediterranean Area* in Palermo. ISIDA, the oldest business school in Europe, and the University of Palermo (Sicily) organized the conference. Several universities, including Columbia and the University of Rhode Island, co-sponsored the event. Since I was born on the island, this provided me a unique opportunity to meet colleagues from my native land as well as from other Mediterranean countries.



JULY 2006

PRODUCT SPOTLIGHT:

Assessing Managerial Success

During the second quarter we conducted a survey canvassing the viewpoint of our clients and contacts on a subject dear to all of us, Managerial Success. We were looking for two kinds of feedback, one based on a number of closed-end questions, and the other in a free-flow form. One hundred and thirty five individuals answered our inquiry. Due to workload pressures, we have not had ample time to mine the information we collected. But here are the highlights from our study.

THE SURVEY

The survey contained 42 closed questions and 3 open ended questions:

1. Contributors to success
2. Causes of failure
3. What other questions should we have asked

The closed ended questions asked the respondents to rate each of the questions in terms of its importance toward managerial success and whether that particular item was a "maker" or "breaker".

DEMOGRAPHICS

In terms of background information, we asked respondents to tell us:

1. Their level of experience
2. Their level of responsibility
3. The current job role
4. The size of their organization
5. Their current work status
6. Their age

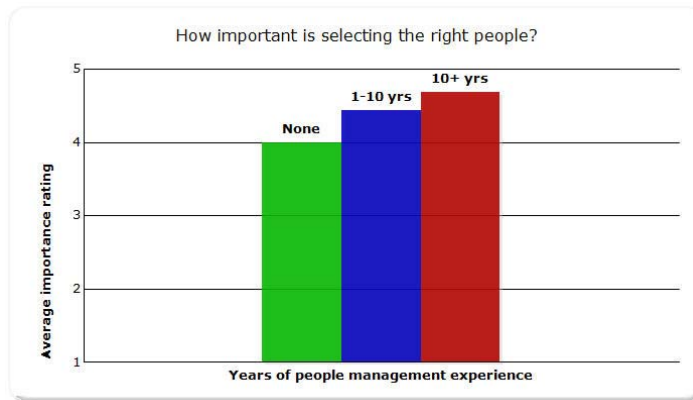
STUDY FINDINGS; THE HIGHLIGHTS

The five **most important items contributing to managerial success** are:

1. Selecting the right people
2. Inspiring subordinates to achieve organizational objectives
3. Meeting commitments
4. Communicating effectively
5. Giving clear work directions

1. Not dealing with poor performance
2. Not meeting commitments
3. Hiring the wrong people
4. Not inspiring subordinates
5. Not maintaining the highest ethical standards

One of the open-ended questions we asked was **"What questions should we have asked that would have been more important than those we asked?"** A sample of the responses follows:



The five **least important** items contributing to managerial success are:

1. Solving complex problems
2. Improving work processes
3. Budgetary control
4. Paying for performance
5. Writing effective business communications

The major factors contributing to **managerial failure**:

- What you cannot see might be more important than what makes or breaks a manager questions you asked.
- How much of one's success depends on one's own leader's performance?
- Leadership styles and their impact on performance.
- What separates the top 3 from the worst 3 managers/executives?
- Something about organizational culture.

(Continued on page 5)



JULY 2006

SALUTING OUR CLIENTS:

Dr. Saad Barrack, MTC Vodafone



The July 27, 2006 issue of the Wall Street Journal has a headline in the Money and Investing section; an article entitled "**Mideast CEO's Bold Telecom Bet**". The article sub-headline continues "... Kuwait's MTC Is on Buying Spree as Barrack Reaches Into Hot Spots; 'Trying to Outdo Each Other'".

We know Saad Barrack very well. He is the CEO of Kuwait's Mobile Telecommunications Company. He has spent \$ 6 billion to transform the company from a local carrier with 600,000 customers into a wireless operator with more than 21 million customers in 20 countries across the Middle East and Africa, including Nigeria, Kenya, and Tanzania; as well as Kuwait, Jordan, Bahrain; and hot spots such as Iraq, Sudan, and Lebanon.

He has been a major client of our sister company SKOPOS Louis Allen Middle East. Our U.S. consulting staff has provided additional support to MTC to complement our capabilities on the ground.

We salute Dr. Saad Barrack for his courage and his fearless leadership that we have come to know, appreciate and respect. An example is mentioned



We salute Dr. Saad Barrack for his courage and his fearless leadership that we have come to know, appreciate, and respect.

in the Wall Street Journal article. "He arrived in Lebanon the day before the latest crisis there started two weeks ago, for a planned series of four-day meetings with colleagues from London, Amsterdam, and elsewhere. The event was cancelled after the first meeting, and Dr. Barrack, who has a million customers and about 350 employees in Lebanon, remained to help local staff flee to safer ground in the mountains and his visiting colleagues find routes out of the country. He left four days later by road, driving via Syria to Jordan, where he was then able to catch a flight".

In our field we often talk about courage and other exemplary leadership traits; in his case, we can actually see them in action. We have immense respect for him as a person and as a

leader, and for his deep sense of humanity.

Kuwaiti-born, Dr. Barrack studied electrical engineering at Ohio State University and holds a doctorate in information-systems management from London University.

The Wall Street Journal article is available to subscribers at:

<http://online.wsj.com>



OUR WEBSITE

www.louisallenworldwide.com

JULY 2006



Our new website is up and running and we are adding content as we speak. We plan on issuing passwords to our strategic partners later this quarter.

As we populate the content, partners will be able to download data sheets, pricing guidelines, field manuals, PowerPoint presentations, standard agreements, reference lists, and contact information.

We plan to begin translating the website into other languages next year.

“PEOPLE TO PEOPLE” AMBASSADOR PROGRAM



President Dwight D. Eisenhower founded this program in 1956. All US Presidents since then have served as honorary chairman of the program. The goal is to encourage exchange of ideas and networking across the globe. This year the program celebrates its 50th Anniversary. On December 1, 2006, a delegation of 37 individuals invited by the Society for Human Resources Management (SHRM) will visit China for 10 days.

The following topics will be discussed:

- How human resource management is taught in the Chinese system

- The body of knowledge for the human resources profession in China
- The role of human resources in China's economic development
 - Employment law and the labor code in China

Tony Tasca will be one of the delegates.

Delegates will participate in group discussion and make presentations on selected topics. Tony Tasca will be one of the delegates.

Additional information about the delegation can be found at the following website:

http://www.ambassadorprograms.org/upcomingprograms/law/peter_hurtgen.asp



JULY 2006

MARKETING EVENT: TRADE SHOW SPONSOR

OD Network Conference 2006

October 22-25, 2006 at San Francisco Hyatt Regency San Francisco Airport

We will be an event sponsor at the OD Network Conference 2006 scheduled for October 22-25, 2006 at the Hyatt Regency San Francisco Airport. The theme of the conference is “**Advancing the Theory & Practice of Organization Development™**”. Over 7,000 OD Network members and dedicated OD practitioners are being invited to attend.

We will have a table demonstrating our assessment surveys. The Assessment Team is coordinating the event. Our logo will appear in the conference website and on banners located in high traffic areas.

Special collaterals will be prepared for the event.

We strongly encourage our partners and clients to participate in this conference. Look for us in the exhibition hall.

For further information about the conference or the OD Network, see their website at :
<http://www.odnetwork.org/index.php>



ASSESSING MANAGERIAL SUCCESS, cont.

(Continued from page 2)

- *Managing peer relations effectively.*
- *What is success?*

We received copious open-ended comments with anecdotal examples, references, and comments about the survey itself.

Commentary

The notion that managerial success is highly dependent on “getting the right people on the bus” and the “wrong people off-the bus” comes across loud and clear (see Collin’s book Good to Great). The important themes from our survey indicate that those actions by themselves are not sufficient. Managers must also deliver on their commitments and be good communicators.

Failures have important underlying causes. Some are within and others are outside of the manager’s control.

Examples from the open-ended question we asked: **“What factors have caused managers to fail?”**

A sample of the responses follows:

- *Poor alignment with superiors around goals, strategy, direction*
- *Lack of hands-on skills*
- *Inability or failure to lead*
- *Poor people skills*
- *Lack of delegation to subordinates and their inadequate empowerment*
- *Saying one thing and doing another*
- *Unclear or constantly changing direction*
- *The ends justify the means philosophy*

We plan to do some advanced statistical analysis of the survey results.



JULY 2006

UPCOMING CERTIFICATION DATES



The brand new 6.0 version of the "Profession of Management" material.

Please take note of the following certification sessions.

PROFESSION OF MANAGEMENT:

- July 24th through July 30th in Jakarta, **Indonesia**
- September 30 through October 1—Recertification in Madrid, **Spain**

EXTRAORDINARY LEADER:

- September 25th week in Madrid, **Spain**

Individual partners can request certification sessions in their home country by arrangement with Ray Burch.

For more information please contact Ray Burch at: rburch@louisallenworldwide.com

2006 ANNUAL MEETING

Madrid, Spain October 2-6, 2006

The annual meeting has been scheduled for Monday, October 2nd through Friday, October 6th in Madrid, Spain.

The meeting will be hosted by our strategic partners Grupo P&A at the Club Financiero Génova. We expect from 15 to 20 people to attend.

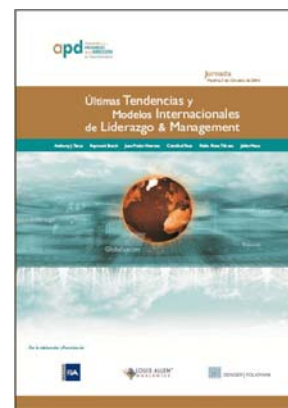
The initial agenda includes the following topics:

- Summary report from all participants
- Introducing new products and services
- Launching of a global consulting network
- Highlighting our initiatives in the Middle East
- Socializing and networking

The second day of the meeting will be a one-day workshop "The Latest Trends and International Models for Leadership and Management" sponsored by the Spanish Association for Leaders and Managers (APD).

Tony Tasca, Ray Burch, Pablo Riera, Juan Pedro Herrera, Cristobal Paus, and Julian Mesa will make presentations. We expect over 100 invitees to attend this workshop.

The remaining three days will continue to focus on the initial agenda items.



Brochure cover for "Latest Trends and International Models for Leadership and Management"



JULY 2006

CELEBRATING SUCCESSES—PROVEN PERFORMANCE

A Culture Survey Case Study

It all started one very hot day in Saudi Arabia. In the air-conditioned offices of SABIC, the 6th largest chemical company in the world, our team was asked to survey 15,000 employees. The team accepted the assignment, but there was one major challenge—the client wanted the survey launched in 3 weeks! Cue the *Mission Impossible* soundtrack!

CELEBRATE

It is with great pride that we offer congratulations to our international network of affiliates, partners, and internal staff members on the successful administration of the SABIC culture survey. Not only did the team launch the survey in **3 weeks**, but the team also achieved an **82% response rate**. Way to go team!

We identified several areas of proven performance from this experience:

PROVEN PERFORMANCE

Our Global Network of Consultants can be quickly mobilized

- The team consisted of consultants from 5 different countries.
- We readily added contract-consultants as needed

Our Global Network is scalable

- We can meet the needs of a Global Fortune 500 company as well as the needs of a small company of <100 employees

Our Global Network is culture friendly

- Although this was our first assignment in Saudi Arabia, the team established excellent relationships with the client that were key for the success of the project

Our Global Network works together effectively

- The team of consultants coalesced into a high performance team and accomplished an impossible goal

The results of this survey are proof positive of our ability to successfully assemble a high performing team anywhere in the world.

Our Global Network works anywhere in the world

- Although the team endured time zone differences of up to 10 hours (with some team members sharing only 3 working days each week), the team members overcame

these challenges and worked together as a high performance team

Our Global Network approach is a success

- The results of this survey are proof positive of our ability to successfully assemble a high performance team anywhere in the world. This gives us the ability to have a local presence and provide global resources

Our Global Network is driven by success

- Given the impossible demands of this project, some organizations might have not taken the challenge. Not our team. They seized the challenge and made it a success

Again, congratulations for all that participated in this project!

If you are interested in additional information about this project or want to initiate your own global network project, please contact Mark Giulieri at: mgiulieri@louisallenworldwide.com



PRODUCT SPOTLIGHT:

Survey Measures TEAM EFFECTIVENESS

Team building is a staple in the OD field. There is no shortage of resources available to the consultant working with teams. With such a variety of models, tools, techniques, and even definitions of "what is a team", it is easy to become overwhelmed.

We have cut through the clutter with our Team Effectiveness Survey [\[click here for survey demo\]](#). This short survey has been proven in practice and is backed up by rigorous research. Our model takes into account both extensive practical experience in working with teams and recommendations from Jon R. Katzenbach and Douglas K. Smith's influential book *The Wisdom of Teams: Creating the high-performance organization* (originally published in 1993, reprinted in 1999 and 2003). This diagnostic tool profiles for the

client how effectively their team functions and quickly points you to where to focus consulting or training interventions. The tool profiles the team's strengths and opportunities for improvement in nine areas:

- Common purpose
- Performance Goals
- Decision Making
- Management Agreement
- Environment
- Work Assignments
- Group Dynamics
- Results
- Rewards

This easy-to-use diagnostic survey can be administered online or via paper and results will be ready in a matter of days. The report (see sample output) identifies interaction patterns and improvement

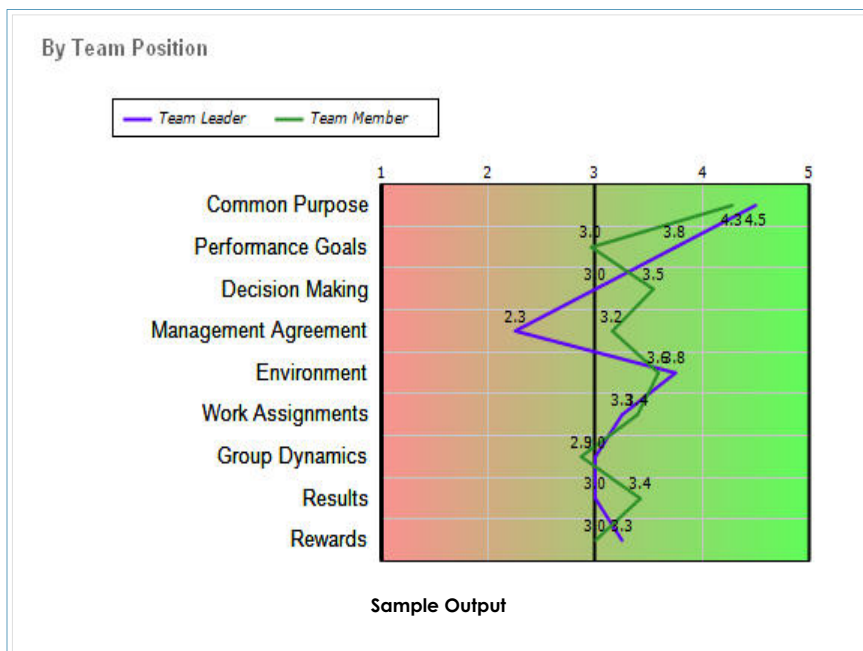
Suggested uses:

- Establishing a baseline from which team development can be measured
- As an "ice-breaker" for team retreats and progress discussions
- Calibrating and comparing team members' perceptions
- Providing a first step towards increasing collaboration and cooperation among team members and enhancing commitment to team goals

needs and compares perceptions of team effectiveness by role within the team.

Recently, this tool helped Amr Yehia of Skopos Middle East as part of a large scale consulting relationship with MTC-Vodafone in Kuwait. The Team Effectiveness Survey is also a favorite of Ray Burch, who is currently using it to target his training efforts for the Orange County Sanitation District in Southern California. These are just two examples of situations where consultants leveraged this useful tool.

If you have a client need for which you think this tool may be useful, or for more information, contact Sheryl Axline at: slaxline@louisallenworldwide.com



Twin Guides to Survey Nuts and Bolts

"I know what survey I want to use ... now what?"

"How do I ensure a successful survey experience for my client?"

"After the survey, how do I craft action recommendations that won't just sit on the shelf?"



The Louis Allen Worldwide Assessment Team has recently updated our twin 'how to' booklets "**Survey Administration Guidelines**" and "**Survey Feedback Guidelines**". The booklets are complimentary, and exclusively available to our partners and clients. These booklets are designed to answer your questions in advance, saving you time.

TECHNICAL DETAILS FOR CONSULTANTS:

- Why we prefer online administration (whenever feasible)
- How we ensure confidentiality
- How to construct effective feedback for different organizational levels
- The effective use of internal and external norms
- Dealing with client defensiveness
- Providing actionable insights

A properly conducted survey enables an organization to assess its weaknesses and highlight areas for improvement. Whether you are an experienced hand in survey administration or new to using organization assessments with clients, you no doubt will have many questions before, during, and after embarking on a survey project.



CONFIDENTLY COMMUNICATE:

- The purpose of the survey
- Setting appropriate expectations
- Ensuring effective communications
- Roles at each level of the organization
- What to expect during administration
- How and when results will be communicated
- What sort of recommendations to expect

Once you have selected or designed the appropriate survey for your client's situation, the process has just begun. At this point it is important for you to understand and clearly communicate the "nuts and bolts" and what to expect along the way. Full of detailed information, our guidelines share the lessons we have learned from over 30 years of experience conducting organizational diagnosis. In addition to a range of practical tips (see sidebars), "**Survey Administration Guidelines**" includes a planning matrix detailing tasks by week and responsible party; "**Survey Feedback Guidelines**" provides a suggested outline for a management feedback meeting.

For your copies of these valuable 'how to' booklets, contact Sheryl Axline at:

slaxline@louisallenworldwide.com



Calendar of Events

August

September

4	Labor Day—US Offices Closed
25-29	Extraordinary Leader certification, Madrid, Spain
27	Orange County ASTD Vendor Fair
30-Oct 1	Profession of Management Recertification, Madrid, Spain

October

2-6	2006 Annual Meeting, Madrid, Spain
22-25	OD Network Conference 2006, San Francisco, CA

SUPPORT LINE

Assessment Surveys

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August 2006

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September 2006

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October 2006

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