

How to Digest This Report in 15 Minutes or Less!!

1. Review the detailed statements on pages 2-4. These practices were used as a basis for determining your performance in each of the five areas covered in the Management Assessment (Demonstration).
2. Review the Degree of Impact summary on page 1. Do you have any areas in the lower right quadrant of the report? These are higher impact, lower performing areas that might need attention!
3. Identify at least one area you would like to improve. Your point of improvement should represent an area with the greatest potential to positively impact your company!
4. Review the explanation for your identified priority area. (Explanations start on page 5.) It explains why this area is so important and how it may be affecting your company.
5. Review the components of a quality action plan on pages 8.
6. Determine your response and take action! Beginning on page 8, ideas are offered for responding to any of the five areas needing additional attention.

Evaluation Principle Elements					
Highlighted areas represent those covered in this assessment					
Management Assessment (Demonstration) Model					
1.0 Organization Strategy		2.0 Organization Design		3.0 Organization Culture	
1.1 Mission, Vision, & Competitive Advantage	1.1.1 Mission 1.1.2 Vision 1.1.3 Strategic Advantage	1 Basic Structure	2.1 Structure Criteria 2.2 Structure Evolution	1 Values & Beliefs	3.1 Values Integration 3.1.2 Values Credibility
1.2 External Assessment	1.2.1 Customer Profile 1.2.2 Industry & Competitive Analysis 1.2.3 Environmental Assessment	2.2 Core Competence	2.2.1 Identification Core Competence 2.2.2 Leveraging Core Competence	3.2 Leadership	3.2.1 Management Modeling 3.2.2 Strategic/Tactical Balance 3.2.3 Empowerment 3.2.4 Developmental Coaching 3.2.5 Building Effective Teams
1.3 Internal Assessment	1.3.1 Finance 1.3.2 R&D 1.3.3 Production 1.3.4 Marketing 1.3.5 Sales/Distribution 1.3.6 Customer Service	2.3 Information, Systems, & Technology	2.3.1 Organization Communication 2.3.2 Targeted Information 2.3.3 Enterprising Systems 2.3.4 Applied Technology	3.3 Human Resource Systems	3.3.1 Selective Recruitment 3.3.2 Employee Orientation 3.3.3 Continuous Learning 3.3.4 Performance Management 3.3.5 Reward Systems
1.4 Objectives, Initiatives, & Goals	1.4.1 Vital Direction 1.4.2 Resource Alignment 1.4.3 Organization Accountabilities	2.4 Organization Efficiency	2.4.1 Balanced Oversight & Direction 2.4.2 Synthesized Roles & Responsibilities 2.4.3 Managed Outsource & Strategic Alliances	3.4 Organization Character	3.4.1 Informal Communication 3.4.2 Organization Feedback 3.4.3 Adaptability to Change

Introduction

This document consists of two sections. The first section, pages 1-4, depicts your responses to the assessment statements and priorities you provided online. The second section, beginning on page 5, offers additional information and action steps you should consider in response to your results.

We encourage you to spend a few minutes reviewing your report. But don't stop there! Determine at least one thing you want to

improve in response to this evaluation. Taking action will help make your investment of time worthwhile and should ultimately lead to a healthier company.

To begin, use the six steps outlined at the top of the previous page. They will guide you through this report and enable you to walk away with some initial direction in only 15 minutes time!

Assessment Methodology

The assessment employs a six-point interval scale to evaluate your organization's performance measured against 20 best-practice statements. Each statement requires a response ranging from "Strongly Disagree" to "Strongly Agree", or the participant may choose a "Don't Know/Not Applicable" response.

Additionally, the assessment asks the participant to prioritize the five areas covered in this assessment based on the degree of impact (positive or negative) each is having on your company. These five areas are highlighted in the Management Assessment Model presented on the previous page.

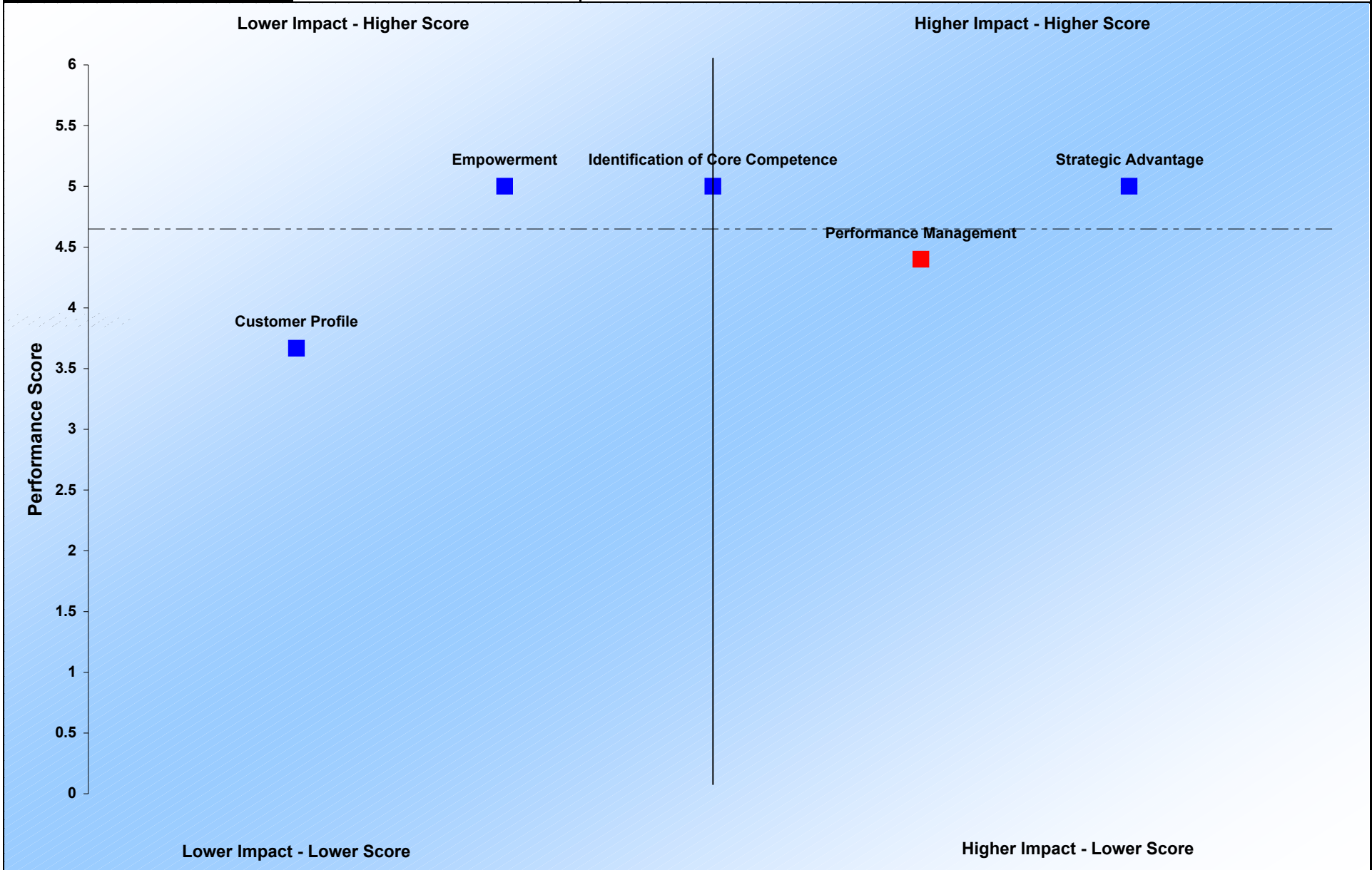
This report is designed to reflect:

1. *Priorities*: The areas you view to have the greatest impact on your company.
2. *Performance*: How you view your company's performance in the five areas covered in this assessment. (See the bar chart on page 2.)
3. *Focus*: The area(s) you view to be both "High Impact" and "Low Performance." You will find areas of focus in the lower-right section of the quadrant charted on page 1. They are noted with a red square icon.

EXECUTIVE SUMMARY

Degree of Impact

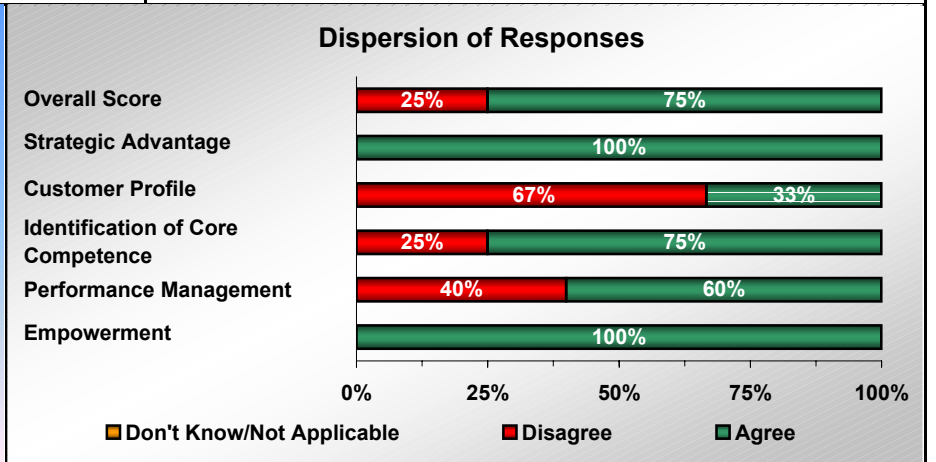
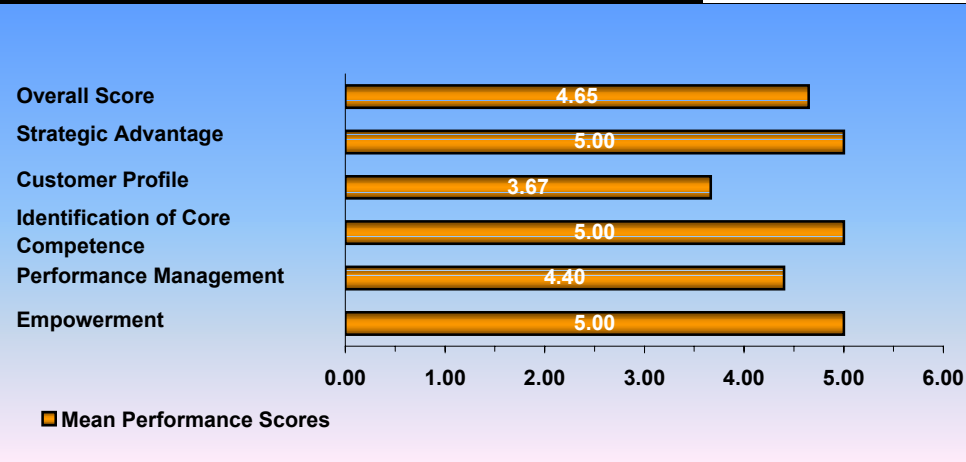
This report plots the areas covered in the Management Assessment demonstration. The vertical axis represents the performance mean score and the horizontal axis represents the order of priority, with the highest priority to the right. High impact, under-performing areas appear in the lower right quadrant of this graph, and are primary targets for action planning.



Results

Individual Responses

This section of the report reflects your responses on the Management Assessment (Demonstration).



Mission, Vision, & Competitive Advantage

Strategic Advantage	RESPONSE							Positive Scores	Mean Score:	5.00
	DK	1	2	3	4	5	6			
Our company focuses on a primary point of differentiation as a key factor in formulating our strategic plan.	0%	0%	0%	0%	0%	100%	0%	100%	DK = Don't Know/Not Applicable 1 = Strongly Disagree 2 = Disagree 3 = Somewhat Disagree 4 = Somewhat Agree 5 = Agree 6 = Strongly Agree	
Our company's competitive advantage is clearly understood by all our primary stakeholders.	0%	0%	0%	0%	0%	100%	0%	100%		
Our employees clearly understand how their performance supports our competitive advantage.	0%	0%	0%	0%	100%	0%	0%	0%		
Our company understands how to create a clear competitive advantage or point of differentiation within our market.	0%	0%	0%	0%	0%	0%	100%	100%		

External Assessment

Customer Profile	RESPONSE							Positive Scores	Mean Score:	3.67
	DK	1	2	3	4	5	6			
Our company has clearly defined the buying characteristics of our target customers.	0%	0%	0%	100%	0%	0%	0%	0%		
Our company has clearly identified all issues that would discourage customers from purchasing our products and services.	0%	0%	100%	0%	0%	0%	0%	0%		
Our company has defined the ideal methods of distribution that our target customers prefer when buying our products and services.	0%	0%	0%	0%	0%	0%	100%	100%		

Results

Individual Responses

This section of the report reflects your responses on the Management Assessment (Demonstration).

Core Competence

Identification Core Competence	RESPONSE							Positive Scores	Mean Score:	5.00
	DK	1	2	3	4	5	6			
Our company has clearly identified and articulated our corporate core competencies.	0%	0%	0%	0%	0%	0%	100%	100%	DK = Don't Know/Not Applicable 1 = Strongly Disagree 2 = Disagree 3 = Somewhat Disagree 4 = Somewhat Agree 5 = Agree 6 = Strongly Agree	
Our company has assessed the role our corporate core competencies play in contributing to creating and sustaining customer value.	0%	0%	0%	0%	0%	100%	0%	100%		
Our company has assessed the role our corporate core competencies play in differentiating ourselves from our competition.	0%	0%	0%	100%	0%	0%	0%	0%		
Our company has assessed the role our corporate core competencies play in identifying new product or service opportunities.	0%	0%	0%	0%	0%	0%	100%	100%		

Leadership

Performance Management	RESPONSE							Positive Scores	Mean Score:	4.40
	DK	1	2	3	4	5	6			
Our company employs a results-oriented performance management process.	0%	0%	0%	0%	0%	0%	100%	100%		
As part of our performance management process, managers and employees mutually agree upon goals.	0%	0%	0%	100%	0%	0%	0%	0%		
Interim performance appraisals are a common practice in our company.	0%	0%	100%	0%	0%	0%	0%	0%		
At our company, annual performance appraisals are complete and well substantiated.	0%	0%	0%	0%	0%	0%	100%	100%		
At our company, people are held accountable for their work.	0%	0%	0%	0%	0%	100%	0%	100%		

Results

Individual Responses

This section of the report reflects your responses on the Management Assessment (Demonstration).

Human Resource Systems

Empowerment	RESPONSE							Positive Scores	Mean Score:	5.00
	DK	1	2	3	4	5	6			
Our managers know when to personally manage projects and when to let their staff have the authority and control.	0%	0%	0%	0%	0%	100%	0%	100%	DK = Don't Know/Not Applicable 1 = Strongly Disagree 2 = Disagree 3 = Somewhat Disagree 4 = Somewhat Agree 5 = Agree 6 = Strongly Agree	
Employee involvement is consistently encouraged.	0%	0%	0%	0%	100%	0%	0%	0%		
Decisions in our company are made without unnecessary "chain of command" approvals.	0%	0%	0%	0%	0%	0%	100%	100%		
At our company, authority to make decisions is driven down to the lowest appropriate level.	0%	0%	0%	0%	0%	100%	0%	100%		

Areas Covered in the Management Assessment (Demonstration)

The five areas selected from the Management Assessment Model for this demonstration assessment were chosen for a reason. Each is important and serves as a foundational element for the work you do. They define the short and long term focus of your company, and help you determine what distinguishes your company from other companies.

Typical Symptoms in Organizations

Companies who have not defined and acted on any one of these five areas may very well suffer from some or even all of the following difficulties:

- No sense of forward direction and progress
- Financial struggles
- Confusion on the part of customers
- Difficulty hiring/retaining qualified employees
- Disagreement about how to budget resources
- Conflict among executives and employees

These problems may seem unrelated to anything covered directly in this demonstration. Experience has shown that these problems are actually symptoms in companies (and other organizations), which have failed to address one or more of these five elemental areas.

The following is an overview of each of the assessment areas and why each is important in a context.

Strategic Advantage

What makes your company different? What makes your organization truly unique? The goal here is to make sure all stakeholders for your company understands the specific advantages that set you apart from the competition. Strategic Advantage, gives people reasons to engage with you—to buy your products or services, to become a repeat customer, to join your company—versus another company.

But defining a Strategic Advantage is not enough. It is critical that it becomes the basis for making significant decisions, especially as you allocate resources. Your collective skills, knowledge, special abilities, and experience should be such

that the products and services you offer are tailored to your Strategic Advantage.

It is also important that you communicate your Strategic Advantage to your customers and employees, directly and indirectly. For example, you have determined that your company will be known for an innovative product to third world countries. If you do not allocate your budget and other resources to sending employees to those parts of the world, if your management or board knows nothing about the third world...how serious are you about your Strategic Advantage? Are your employees even aware of your intent? Ideally, every decision you make should take your Strategic Advantage into consideration.

Companies which have not defined and acted on their Strategic Advantage don't have any sense of being unique or "set apart" in any way. Customers have no compelling reason to give you repeat business. Nothing has been communicated to them that says, "Our company has chosen to focus its resources in this way."

Customer Profile

Much has been said and written about companies being "customer centric." Companies have adopted this philosophy through strategies, which have encouraged executives to incorporate focus groups and surveys to prospective customers to identify specific needs.

Do you have a clear understanding of the needs of your customers, including the specific benefits they seek? Do you know why they choose to buy your products and services, why some have chosen not to, and why some choose to bring their business to your competition?

Many executives have a "gut feel" for the needs of their customers. But the Management Assessment (Demonstration) challenges you to develop this understanding on a deeper level. The statements ask if you have "clearly defined" and "thoroughly assessed" these characteristics. The goal is to give you the ability to act on this information.

Spending time and money developing products and services that are disconnected from the needs and interests of your customers is a very real risk, and causes them to not respond. Having a clear understanding of your customer's profile can help keep that from happening.

Identification of Core Competence

The final areas covered in the Management Assessment (Demonstration) concerns identifying your company's core competence. This may be the most difficult element to understand and apply.

The purpose of this area is to encourage companies to identify and communicate to all appropriate people a specific and unique combination of individual skills and capabilities that meet three criteria:

1. They are valued by your customer.
2. They are difficult for other companies to replicate, which is simply a measure of how deeply skilled and capable a true core competence is.
3. They assist a company in identifying new programs or service opportunities.

Few companies possess more than perhaps one or two true core competencies. They take years to develop, are grounded in extensive experience, and are typically embodied in a handful of key people.

So what is so important about identifying a core competency? It helps a company establish its strategic advantage, since these skills are core to what the company offers. Second, these skills give your company an opportunity to multiply its potential value and market opportunities by embedding its core competency into any number of product and service offerings.

Companies who have not honed in on a specific core competency will struggle to create products and services of extremely high impact year after year. While some companies may feel they have their hands full simply dealing with the other four areas in the Management Assessment (Demo), others have a driving, compelling vision to significantly impact their market nationally or even worldwide. Identifying your core competence is the starting point on the road to having that kind of long-term, broad impact.

Having reviewed the five areas included in the Management Assessment (Demonstration), it's time to bring this evaluation full circle by determining top priorities and turning those priorities into a targeted action plan. Assessments which fail to lead to change and improvement don't benefit anyone. Continue with the next section of this report as we move from diagnosis to prescription.

Empowerment

Many of the same organizational attributes required to develop leadership are also needed to empower employees. Empowerment drives decision-making responsibilities down to the lowest appropriate level in the organization. It utilizes localized versus centralized authority whenever possible and minimizes "red tape".

Organizations who adopt and utilize participative principles create motivational environments that lead to greater employee satisfaction and ultimately better job performance. Employees who experience a greater degree of freedom and autonomy, who are consistently recognized for their contributions, and who are involved in the decision-making process are generally more satisfied than employees who do not experience these approaches. However, empowerment must be earned. Employees must first demonstrate the necessary competencies and professional judgment before they can be given the responsibility for a complex project or task.

Employees are motivated by a sense of achievement, recognition, enjoyment of the job, responsibility, and the chance for personal growth. Excessive control stifles employee initiative and motivation. Implementation of a strategic plan is best served by a management style where the degree of control or empowerment is determined by the complexity of the task and the skill and maturation of the employee, not by the personal preferences or habits of the manager. With the right structure, training, systems, and supervision in place, empowered employees can significantly contribute to improving organizational performance.

Performance Management

The glue that holds all human resource systems together is the performance management process. This process is used to gauge a company's incremental progress towards achieving its strategy. Through this practice, managers and employees take accountability for their contributions to the organization.

The first step in creating a strategy-supportive system of rewards and incentives is to define jobs and assignments in terms of the desired outcomes - not just the duties and functions to be performed. Placing emphasis on deliverables rather than simply time spent or resources used increases the chances that an employee will contribute directly to the organization's strategic objectives.

Working hard, staying busy, and diligently performing assigned tasks does not guarantee results. Effective performance management systems stress what to accomplish instead of what to do. They focus the attention of the employee on intended outcomes rather than just showing up for work.

By regularly tracking actual outcomes against targeted performance, managers can proactively focus on making the right things happen rather than hoping the right outcomes will materialize. Establishing a comprehensive performance management program is a key factor in achieving an organization's strategic intent.

Responding to Underperforming Elements

The five areas included in the Management Assessment (Demonstration) were selected from a group of 35 areas covered in the Management Assessment Model (see page ii). The complete model covers three key drivers of business (Organization Strategy, Design, and Culture) and represents a comprehensive view of all the areas present in virtually any company situation.

Because the Management Assessment (Demonstration) is not a complete assessment tool, it may be that your top priorities are not represented among these five areas. That's okay—congratulations on a strong report! (Perhaps a full engagement with 2ic Strategy Group, certified Virtual CEO consultants would help identify your needs.)

Do not quickly dismiss the Management Assessment (Demonstration) components! Each is extremely important to defining why a company exists and what markets they are attempting to address. Chances are quite strong that companies struggling to move forward or facing financial difficulties are likely experiencing a weakness in one or more of these five areas.

With this in mind, take a look once again at the Impact quadrant on page one. Knowing what you know now, would any of these five areas benefit from additional attention? Spend a few moments and identify at least one priority before you move forward.

Qualities of an Action Plan

Comprehensive action planning is crucial to implementing organizational change and improvement. Some companies have never worked through such a planning process. At best, they've been managed through miscellaneous meetings, and at worst, through a completely unstructured, informal action process.

Ideally, a comprehensive plan should address the following components:

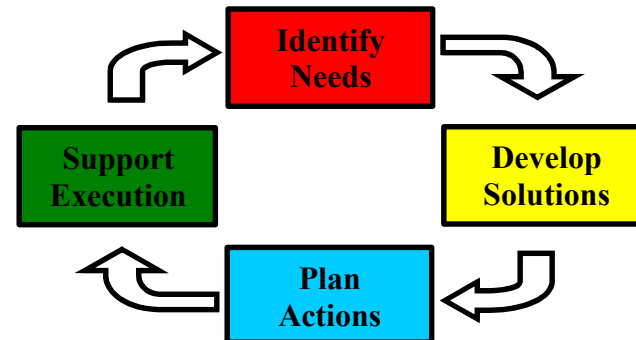
- *Priority*: What is it we are trying to accomplish? Do we all understand exactly what changes and improvements we are trying to implement? Do we all understand why this priority is so important?
- *Objectives*: What are the major steps involved in addressing this priority? If we were to view the priority as a major project, what might be the key steps to completing this project?
- *Milestones*: What are the individual action items we need to do to complete each objective?
- *Due Dates*: What is the due date for each and every single milestone? Is it realistic, given other issues we are trying to address right now?
- *Owner*: Who is being assigned responsibility to drive each objective forward? Many people may be involved in actually doing the work of each milestone. But where does the buck stop? Who will own completion?
- *Resources*: What financial and other resources will be required?
- *Measurements*: How will we know if each objective has been successfully completed? What tangible product will we have at the completion of the objective? What will that "product" look like?

In addition to these components, it is very important that you establish some kind of follow up or accountability process:

- Go public with your plan. Involve your board, executive team and employees what you are trying to accomplish.
- Set up times where owners of objectives will be asked to report on their progress.
- Define for everyone involved how your company will benefit if this plan is implemented on time. Describe as best you can how failure will hurt your company's efforts.
- Coordinate major completion due dates with other calendared items. For example, if you have an executive retreat already scheduled for the first week of July, tie the completion of objectives to that retreat date so that a strong report can be made to the board.
- Pay attention to conflicting projects. Remember, you determined this to be a top priority. That means other things you are working on may need to be postponed while this higher priority is addressed!

Direction for Action Planning

When developing an action plan, we recommend a continuous improvement cycle that looks like this:



This is what you are doing right now through the Management Assessment (Demonstration). You gathered data by taking the assessment. You considered options for possible priorities you could establish coming out of the assessment. You determined a direction by settling on a priority you wanted to address. And now you are taking action by developing a plan in response to your chosen priority.

Some Concluding Thoughts

We trust this report has been valuable for reviewing five areas important in any company situation. In addition, we hope the direction we have offered regarding action planning will be of help as you tackle major challenges that require the coordination of multiple people across a number of months. The investment of a few hours of time on the front end of major projects saves days and even weeks of effort and frustration on the back end.

If this evaluation and material has been helpful, we strongly urge you to consider expanding your evaluation beyond the five areas you experienced through the use of the complete Management Assessment tool. This assessment enables executives to quickly and conveniently evaluate their organization's performance against 117 best practices tied to 35 important business disciplines. The program dramatically reduces the time it normally takes to identify needs, develop solutions, plan actions and support execution. In fact, executives and their management team can assess the performance of their entire organization in just two hours.

- **A fully-researched, fact-based, best-practices tool**

The 117 best practice statements contained within the program are drawn from the works of internationally recognized experts in the fields of strategy, sales, marketing, finance, core competence, economics, corporate culture, leadership, and several other disciplines required to run a successful organization. Every statement can be linked back to best practices.

- **An enterprise-wide application**

Our assessments can radically accelerate the process of mapping organization alignment. There is no restriction on how deep or how many managers and employees can participate. In fact, Our 55 statement Employee **Assessment** takes the issues that are prevalent to your entire workforce and encourages employees to consider how their activities contribute to the overall success of the organization. Going deeper into the organization provides for a richer profile and maximizes the information base used make informed decisions.

- **An ROI-driven program**

Whether organizations are publicly or privately held, the pressure is growing to increase profits and revenue while reducing costs and increasing efficiency. The Mastering Strategy Action Planning Software provides an ideal solution. This tool captures the organization's priorities, objectives, resource requirements, project ownership, milestones and return-on-investment (ROI) based measurements. In addition, real time action plans can be printed at the conclusion of a planning session. The need for flip charts is eliminated. Executives can readily integrate these newly created objectives into their existing strategic initiatives.