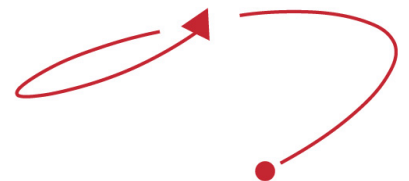


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The CEO Speaks: Confronting Fast-Forward Growth

An interview with Jack Little, CEO of The MathWorks



CATLIN & COOKMAN GROUP

Mastering the Art of Corporate Growth

The MathWorks Inc. was a high flier, a software firm providing a technical computing environment for engineers and scientists that was growing fast. Yet co-founder and CEO Jack Little was plainly uncomfortable. He had heard too many stories of companies skyrocketing -- only to flame out. To retain the company's signature corporate culture while pursuing sustainable growth, he recognized the importance of creating a Mission and focused plan -- complete with the input and support of the entire company. The Catlin & Cokman Group supported his efforts in defining a Mission and Vision, and establishing the foundation of an annual planning process. As a result, the MathWorks' revenue and profits continue to exhibit robust growth, while its vibrant corporate culture was retained. And, Jack Little was recognized as New England's Software Entrepreneur of the Year.

Did you define a Mission when you started The MathWorks?

With a successful start-up, understanding what you want to accomplish is almost a religious thing. Everyone knows the company's purpose because they've been part of the process from the beginning.

When did you first decide you needed to articulate a Mission for everyone?

We were about 30-35 people, growing rapidly, and we felt we needed to communicate to new employees what the company was all about. As we grew, we could tell that communication was deteriorating. A colleague told me about another company that had developed a Mission Statement, and I thought it sounded like something that might help ensure that everyone was on board the same train headed toward the same destination.

What was the process for creating your first Mission?

Probably the way most companies do them -- I basically drafted the Mission Statement. I presented it at a retreat for my managers. We refined it and then presented it to the rest of the company. There was no bottom-up input.

Why did you feel you had to revisit your Mission?

Our entire structure changed when we merged with a

firm that had handled our sales and marketing. Suddenly we over 100 people, and for the first time the engineers were in the minority. We also realized we had a lot of young, inexperienced managers, and we knew our ability to grow was going to be predicated on building an effective management infrastructure.

What made you do this second Mission differently?

We weren't actually focused on the Mission at the time. We were just looking for ways to deal with the changes and get the company to the next step, and we were introduced to the Catlin & Cokman Group's Building the Profit Spiral model for managing growth. Based on the work we did with them, we realized that the first time around our focus had been on articulate-ing the Mission and publishing it for all the employees. We began to understand that the process is as important as the final product. The development of our second Mission became a company-wide effort.

How did you manage to get the whole company involved in the development of the new Mission?

It sounds tough, but you can use the advantages of technology if you're creative. In our case, we rolled out drafts and broke into groups to discuss it. Then we "distributed" it to the rest of the company with electronic mail and had an electronic mail-based discussion of the draft.

And employees really participated?

Enthusiastically, I'd say. Probably around 60-70 percent of the company responded with comments. As president, I was really impressed by the thoughtfulness and acuity of the comments. I was surprised to see so

many people who normally go quietly about their jobs sort of erupting with strong positive thoughts about the process. I think we were all really energized by the whole process.



By involving all the employees in the process, was the Mission actually stronger?

Absolutely. I'd say it is a more mature, refined Mission. We strengthened our Business Mission and our Human Mission, which is an important step every high tech company faces as it grows beyond being a few engineers building their first products.

How have you actually used the Mission Statement?

Each department is now taking the company Mission and looking at what part of achieving it rests with their area. They take those pieces and use them as the basis for developing their own departmental Missions. We also use the Mission Statement as we develop our strategies, to ensure that our plans are consistent.

Some of your departmental Mission Statements use words like "vibrant" and "really cool." This isn't your typical business jargon. Was that deliberate?

Yes, and the words have become very important to our culture. The words help unify and direct people. We used the word "teamwork" in our Mission, and now we're working together more in teams and, more recently, cross-functional teams. When I use a word like "vibrant," it helps me to think about actively designing an environment that has the elements I value and want to nurture. It doesn't make sense to me to define an innovative company with dull, unimaginative words.

So the Mission has made some real differences?

I'd say, rather, it's contributed to an important "sameness." Like most CEOs, I suppose, one of the things I most wanted as we grew was to retain our small company values. I saw that slipping away as we grew larger and communication got more fragmented. I think this process has helped us get back to that place where people feel much closer to what's going on; where everyone feels they have real input on the direction of the company. I also think it gave people a gyroscope and told them which way to point. For some of us, it confirmed what we knew, but added subtleties we hadn't appreciated.

What do you think is the appropriate role of the

CEO in developing a Mission?

To do it right, you have to step back a little -- let other people get involved as never before. But then your involvement has to be pervasive. First you have to overcome everyone's initial skepticism. Most everyone thinks a Mission is corny, or just corporate hype on a wall. It's my job to tell people what it is and what it isn't. It's my job to live it and to make sure everyone lives it, so people know it isn't a bunch of hype.

The MathWorks Mission Technology Mission

We will provide the ultimate technical computing environment for numeric computation, visualization, and simulation. We will use this environment, and the mathematics embodied within it, to provide innovative solutions in selected application areas.

Our goal is to increase the scope and productivity of science and engineering, accelerate the pace of discovery and development, facilitate learning, and amplify the creativity of research.

Business Mission

We will strive to become the leading worldwide developer and supplier of software for horizontal and vertical applications based on our core technologies. Our business activities will be characterized by quality and innovation, an aggressive posture in a competitive marketplace, ethical business practices, and superior services to our customers.

Human and Social Mission

We will cultivate an enjoyable, vibrant, participatory, and secure work environment which nurtures individual growth, empowerment, and responsibility, appreciates diversity, encourages initiative and creativity, values teamwork, and rewards excellence.

We will endeavor to be active members of our communities and to promote social responsibility and environmental awareness.



Catlin & Cookman Group: Corporate Profile

Building a Community of CEOs Who Are Growing Great Companies

In today's fast-paced world, CEOs have the toughest job of all. While it's both exciting and rewarding, it can also be extraordinarily challenging. Where do CEOs turn for guidance? Since 1989, CEOs of emerging-growth companies have come to the Catlin & Cookman Group for our unique expertise and resources – proven methods and frameworks to plan for and manage growth and change. Our sole focus on the CEO experience sets us apart, and the highly targeted resources we offer – CEO forums, consulting processes and practical tools – are developed exclusively for CEOs who are committed to growing great companies.

High-Growth CEO Forums™

More than ever, CEOs need a group of peer advisors to help grapple with issues they can't discuss with their teams or Boards. Our unique Forums are tightly-knit groups of CEOs from similar stage companies who meet quarterly to discuss their business challenges, advise each other about critical decisions, and develop best practices for managing growth. Our focus on customizing agendas to address members' real-time, bottom-line issues keeps the group accountable and the payback measurable. And, through our licensed partners, we are growing the number of High-Growth CEO Forums worldwide, creating a powerful, wide-reaching community of over 70 venture-backed CEOs.

High-Growth Consulting

To succeed, CEOs must create a shared vision and strategy with the executive team – and then execute ... flawlessly. We work closely with CEOs to define their strategic vision and annual plans, build and align executive teams, and create the organizational design, operating system and culture for impeccable execution. Our systematic, proven frameworks for growth deliver measurable results.

***Building the Profit Spiral®** Our foundation framework. Uncovers impediments to growth and helps CEOs and their executive teams create and implement strategic plans that include market focus, mission, values, vision, strategies, structure and culture — and an operating system to make sure the plan works. The result is the path to extraordinary growth.*

***Building the Executive Team as Leaders of Growth®** Defines the key responsibilities of the executives beyond their functional roles and develops a highly-focused and exceptionally strong team capable of leading the company to successful growth, breakthrough innovation and maximized profits.*

***Building the Awesome Organization.** Drives the strategic plan down into the organization – ensures that the critical metrics, operating processes, culture and activity alignment exist to execute the plan.*

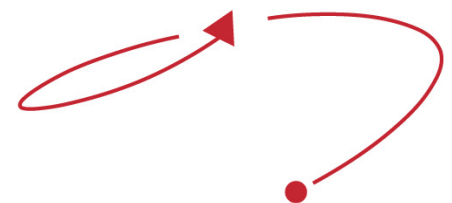
Thought Leadership

Our deep understanding of the high-growth CEO experience is reflected in our books, articles and seminars – and on our website, www.ceoexchange.com.

***Books:** **Leading at the Speed of Growth: Journey from Entrepreneur to CEO** (Wiley, 2001) and **Building the Awesome Organization** (Wiley, 2002) by Founder Katherine Catlin and Jana Matthews.*

***Seminars and Speaking Engagements:** “Growing Your Company: The CEO's Challenge,” a two-year, 7-part series for the Massachusetts Software Council, “The New Breed of Leader” at the Future Forward Conference, “Planning Bootcamp,” and many other engagements.*

Clients Include: Anaqua, Antenna Software, aPriori, Authentica, Authoria, Avotus, Bluespec, Circles, Concord Communications, Constant Contact, e-Dialog, Empirix, eRoom Technology, Experience, I-Logix, Inmagic, iRobot, LiveVault, PeopleCube, Monster.com, mValent, OneSource Information Services, PanGo Networks, Pantero, Soundbite, Steelpoint Technologies, The MathWorks, VFA, Sevin Rosen Funds, Polaris Venture Partners, and North Bridge Venture Partners



The Bottom-Line Impact Experienced by our Clients

High-Growth CEO Forums™

“The job of the CEO is inherently and unapologetically isolating. The High-Growth CEO Forum offers a refreshingly honest and sincere source of support and advice from peers who live on similar quarterdecks. Its format and strong facilitation differentiate it from other groups I have seen. The Forum is one of the most effective feedback and personal development mechanisms available to a CEO. It has made me a more effective leader and a happier, more balanced human being.”

Colin Angle, CEO of iRobot which had a successful IPO in November 2005 establishing a market cap over \$700 million. He was also E&Y Entrepreneur of the Year winner in 2003.

"I am a strong advocate for the CEO Forum. I grew and sold my last company for 5X more than it was worth when I started as CEO. There is no way I could have done that without the Forum. The quality of the people and input I got from them along the way was invaluable. We are all dealing with the same issues, just different context and timeframes. As you know, a CEO's biggest challenge is prioritizing – especially his/her time. The fact that most of this team never misses a meeting speaks volumes about the value proposition! As an aside, my current company is less than a year old and our last round post money was already 5X the first!"

Paul DiGiammarino, President & CEO of Anaqua. After a successful exit, Paul is again a Forum member.

“The Catlin & Cookman Group community was my most valued sounding board when I was CEO of eRoom – no other constituency could offer the direct, trusted and knowledgeable feedback a CEO needs when in the line of fire. Not the board, not my management team and certainly not my spouse. The CEO Forum provided me the opportunity to step back from the trees, reassess my long-term vision and strategy and gain clarity on often difficult and complex issues – and over time I built some fabulous friendships.”

Jeffrey Beir, former CEO eRoom Technology, and currently General Partner, North Bridge Venture Partners. Jeffrey was an E&Y Entrepreneur of the Year winner in 2003

“The Catlin & Cookman Group’s High-Growth CEO Forum was a major contributor to giving me the ideas and inspiration as an entrepreneurial CEO that led to winning the Entrepreneur of the Year Award.”

Dan Schimmel, former CEO of OneSource Information Services and an E&Y Entrepreneur of the Year winner in 2001.

“Given my scars and collective experiences, I would have thought that by now there would be nothing I could learn from a group such as this, but I am amazed at the insights I get from experienced and even newly appointed CEO's... I don't recall ever making a similar endorsement.”

Gene Robinson, CEO of I-Logix, Inc

High-Growth Consulting

“I’ve always been an entrepreneur, and one of the things I learned early on was that I couldn’t get any synergy in my business until I had a group of people working as entrepreneurs together. We have that now at Monster.com as a result of our work with the Catlin & Cookman Group, and we also have a plan in place that will guide our future growth while helping us preserve our unique culture even as we add more and more employees here and around the world.”

Jeff Taylor, Founder and Chief Monster, Monster.com

"The Catlin & Cookman Group has been an invaluable partner for Authoria - amazing people and processes for providing insight and peer-review, and for driving powerful ideas into action."

Tod Loofbourrow, CEO of Authoria Inc.

“When facing a difficult issue on my management team, or for the company as a whole, a quick call to my Catlin & Cookman Group consultant always provides an enlightened and unbiased point of view that helps bring clarity to the decision that must be made. I consider the Catlin & Cookman Group to be a vital member of my team.”

John Rizzi, CEO of e-Dialog

