

Catlin & Cookman Group
info@catlinandcookman.com
www.ceoexchange.com
800.806.8518 / 781.749.3292

Information Mapping, Inc. Shifts from Low to High Gear

An Interview with CEO Doug Gorman



CATLIN & COOKMAN GROUP

Mastering the Art of Corporate Growth

What follows is the story of how IMI rebuilt itself and went from fizzle to sizzle within a short period.

What were the key problems IMI faced?

Gorman: A number of our important customers asked us to serve their needs globally. We needed to quickly establish international distribution with little or no investment capital. The business was effectively split with my partner focusing on U.S. operations while I focused on international expansion.

Under this new arrangement, the planning process that had worked for us successfully in the past was no longer used. The senior managers of the U.S. operation basically did the plan without input from others, and the plan wasn't communicated well to the rest of the organization. In fact, it wasn't even read or understood by most of the people who actually had to implement the plan.

The result was a lot of finger pointing. People constantly said they couldn't do their jobs because other departments weren't doing their jobs. There wasn't much communication back and forth, and people weren't working together. People knew they could throw problems to the senior management team, whose members would not be able to agree on and implement solutions. No one would be held responsible for the problems. There was little accountability.

In this negative period, people learned very quickly to only give good news to their managers, so the company wasn't as open about problems as it had been before. We didn't have the attitude of "Here's a problem; let's work together to solve it."

People were working in silos and didn't understand the business overall. Each department knew what its plan for the year was, and everyone kept their heads down and worked on their own little piece of the puzzle. I, too, was working in a silo, establishing and running our international business and not paying enough attention to what was happening in the U.S.

Also, we weren't customer focused. We were producing products that were what our development

people or officers thought they should be, not what the market demanded. We really weren't very well in touch with our customers.

Here's a typical symptom: We spent \$50,000 or \$60,000 developing a product, but there was no marketing plan in place when the product was ready for beta testing. Sales wasn't ready to sell it, and the operations people couldn't find instructors who met development's requirements. Everybody was in their silos pointing fingers at other parts of the organization.

How did you decide to attack these problems?

Gorman: As the three senior managers left, we had an opportunity to get the rest of the organization working well together before bringing in new senior people. I realized we would be able to hire stronger people if we had a plan in place and had established clear forward momentum. I didn't want the new people to have to solve the old problems. I also wanted to avoid the possibility that the people coming in might establish their own silos. I thought it was important to move IMI away from this mentality before bringing in anybody new.

So, with the support of the Catlin & Cookman Group, I engaged our middle managers -- about 13 people -- in a comprehensive planning process. We decided the business was like a Rubik's cube, having three different dimensions -- the customer/market dimension, the product dimension and the department dimension. We needed to decide which direction each dimension should face in relation to the others and develop a plan that integrated all aspects of our business. Then we would integrate these plans with a strategic plan.

To do this, we had to get all of our problems on the table and work on them as a team. The staff and management had felt constrained. They had had senior managers above them and now I wanted to empower them and say, "OK, here's your chance to run the farm."



What role did the Catlin & Cookman Group play in this work?

Gorman: Katherine Catlin started by doing an organizational assessment that gave us a good baseline on what our problems were. Using her assessment process depersonalized things, so we got away from finger pointing and really looked at the issues. Then she guided us through a planning process to deal with all aspects of the Rubik's cube. With full involvement of the team, we ended up with a new mission and vision for the company, new directions in our targeted markets, new strategies for meeting customer goals, a one-year operating plan with new goals and objectives for both company and department levels, and a measurement system to track progress on those goals.

Through working with the team members, Katherine made sure we uncovered the primary strategic, organizational and operational issues that we had to deal with to reach our goals. And through team building efforts, she taught us appropriate processes and behaviors for getting out of the silos, for working together smoothly, and for resolving conflict.

How did the middle managers react to the challenge you put before them?

Gorman: Most people rose to the occasion far beyond what you could imagine, and now I can see that their skill in managing the Rubik's cube has gone up considerably. From the newer people for whom this was their first shot at being really creative and open, there was a lot of questioning of the old ways and asking "Why can't we do that?" The people who had been around a while were still in their silos a little bit. This openness and emphasis on working together to solve problems was something people weren't used to and they had to get more comfortable with it.

What did you do to get people out of their silos and working together?

Gorman: During the planning process, we established a system of cross-functional teams and encouraged people as they did their plans to seek input from all of the other functions where the departments had to interface with each other. They also formed teams focusing on markets and customers. This huge team

system has been a much-needed major cultural change for the company. We've worked hard to gain effective skills in handling issues like how do people operate on teams, who drives the team, and what happens when the head of this team and the head of that team disagree and priorities need to be established.

We're still learning about positive confrontation and healthy conflict. People still discuss opinions behind closed doors too much, without necessarily raising them in group meetings. I want to get the executive team more comfortable with bringing problems out into the open so we can address them as a group.

The team structure, I think, will take a while to be fully functioning, but it's the only way to go because the business is so complex and change occurs so rapidly. I don't want to hold all the decisions myself. I want people to try to figure out the answers as a strong cross-functional management team. This approach also fosters commitment to implementation.

How else was the planning process helpful?

Gorman: The other important thing that has happened is that as a result of our planning process, we better understand what we will need from our new senior executives, so that when we fill in the open positions, we're more likely to hire people who match our new culture and have the skills needed to move our plan forward.

Katherine has also worked with us in this area, helping us define the profiles of candidate requirements, establish the interviewing process and design an orientation program to introduce new hires to the "new" IMI. She also brought in one of the Catlin & Cookman Group's strategic partners to develop a new compensation system for the company. We've strengthened the relationship between how we pay people and the goals of the business.



As IMI's leader, what lessons have you learned from what the company has experienced in the past year?

Gorman: One of the things the Catlin & Cookman Group did for us was the CEO Evaluator™, which gave me feedback on my own performance from the members of the management team. It was a great learning process. When I read their evaluations of me, 95% of the stuff was absolutely accurate, whether I liked it or not. People also used my review to raise business issues that they wanted to be sure were being worked on. I was already addressing many of these, so it gave me confidence that I was working on the right things. As part of this process, I fed back to the group what I had learned and what I was going to do about it. And I made a commitment to report back to them in one quarter on how I've addressed their issues.

As a second piece of this, I told them they were going to have to do the same thing and get a 360-degree review from their peers, from me and from the people who report to them. We are doing this now, and people are receiving really valuable information.

What pleased you most about the turnaround?

Gorman: As a result of what we've been through, I think people feel really empowered and feel that they have grown in their positions. And they've put the numbers on the scoreboard to prove this!

They have a right to feel a tremendous sense of accomplishment. Basically, they took a company that was flat and, without senior management, they started it growing again. For the first time in two years bonus checks have been paid to all employees.



Catlin & Cookman Group
241 Central Street
Hingham, MA 02043
Voice 781.749.3292
800.806.8518
Fax 781.740.8134
info@catlinandcookman.com
www.ceoexchange.com

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



CATLIN & COOKMAN GROUP

Mastering the Art of Corporate Growth

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

