



News and Views

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A Note From Joel

As Fall is upon us, with the change in seasons, I look back at 2006 as a year of transition for many of our clients. The management of change is high on all of our agendas.

The articles inside cover many topics ranging from recruiting to management to planning. The common thread is that we take an investment view on organizational development. It isn't all about money but it is the way we keep score on achieving our goals.

Bruce Miller of Shoreham, NY brings his varied engineering, construction and management experience to the Kraft team. His project management article brings out some excellent points for us in the management of change, as does Ben's on planning. You will note that Bill Drexler and I have also included news from our clients.

Regards,
Joel

Strategic Planning

Kraft Associates is headquartered in the lovely community of Exton, PA. All visitors are welcome. I strongly suspect that every visitor consults a map before embarking on a journey to Exton, PA.

I wonder why so few businesses have a roadmap for their strategic direction. Strategic planning is a process, essential for business success. The old adage "If you don't know where you're going, you won't know when you get there" applies especially in business.

Any strategic plan is better than none, yet I believe I can spot a meaningful plan from ten feet away. Here is my checklist:

- How is your plan committed to writing? If it is not in writing, it is not real; it will not happen.
- Is your plan communicated to employees? A great plan locked in a safe serves no one.
- Are your plan documents worn, dog-eared with notes and scratch-marks in the margins? I hope so!

by Ben Hanafin

Show me a worn out map and I will show you a frequently used map.

- If I substitute "General Electric" for your company's name in your strategic plan, does the plan still make sense? If so, throw the plan away, because it must be specific to your business and only your business.

What is the process for updating the plan? Plans are never carved in stone; they are changeable as long as deviations from the plan are properly approved.

Writing a good plan is not difficult, but requires commitment and discipline. Using an outside facilitator keeps your planning process on track. A good facilitator also encourages challenging questions and sometimes referees controversial issues. Your Kraft Management Consultant can help.



Total Quality Recruiting by Joel McFadden

How can we apply the principles of Total Quality to the recruiting process?

One way is to look at the four elements of the cost of quality:

- *Prevention*
- *Appraisal*
- *Internal Failure*
- *External Failure*

The objective of a professional recruiting and selecting program is to get the right person in the right job. Let's look at the four elements to understand the consequences when this doesn't happen.

The wrong employee makes mistakes which cost us money with our customers, sometimes without us even knowing it. These are the *External Failures*. These costs can be so high and pervasive that they are difficult to quantify.

Ineffective recruiting leads to poor teamwork which damages internal customer service. The resulting mistakes are *Internal Failures* leading to poor efficiency which is measured as low margins, and high job costs.

When we see these problems we set up systems to inspect and recheck work, these *Appraisal* costs can be painful but necessary. If we turn these into systematic problem solving exercises where the root causes are found and fixed we are on our way to improvement.

The best approach is to put in place an effective recruiting and selecting process in advance. These efforts required to do so are measured as *Prevention* costs. These are investments in your most important assets - your employees.

Businessmen realize that timing is everything in life especially when it comes to investing your resources. Making the decisions necessary to get those investments made on the prevention side result in the best return.

Using our Recruiting Tools

Many of you this year have become familiar with our Managing For Excellence suite of web based behavioral assessment tools. Their ease of use and rapid cycle has brought some new timeliness to our professional recruiting and selecting program. It helps us get the candidate with the best job fit in the right position.

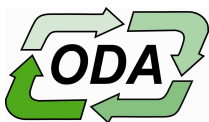
We are also making more use of these tools for training and ongoing management. The information we pick up in developing the position and then assessing the individual is part of a living database available to you. There are tools available for use in training needs assessment, coaching and mentoring.

For example let's say you used a JAR to define a new position in your firm, you then used an AVA to assess an individual. The fit was good and the person is now on board in your firm on their way to becoming an excellent employee. You are thinking about asking that employee to take on some new responsibilities. The Managing For Excellence Database can be called on. You can prepare a new JAR to do an assessment against the employee's AVA. You can use the interview questions to aid the discussion and more. Call your Kraft consultant and we'll come alongside you and help.

Businessmen realize that timing is everything

Special points of interest::

- Our new website: www.kraftassociatesoda.com is now live and includes some new features that we feel will be helpful to our clients.
- We received feedback from many of the newsletter recipients. If you have anything you would like to see in the newsletter, please send us a note or an email.



What is Your Project Management Navigational Aide?

by Bruce Miller

Everywhere you go today people are talking about navigational aides. Those in the mobile business or who do a lot of traveling are very familiar with these devices. However today the devices are reaching out into the home market. You know how these devices work. You type in an address and the device will provide real time directions.

A few months ago I had my first experience with a navigational aide. I had travel to Dallas on business and was going to be picked up at the hotel by a colleague to visit a client. Ever trying to be prepared I had performed my due diligence and printed out a map with directions to our client office.

Being all prepared I hop into the car and pull out the map and directions ready to serve as the navigator only to be side tracked by the pilot (colleague driving the car). He pulls out of his pocket a device about the size of a large cell phone. He asks, "what is the address where we are going?" I provide the information that he begins to type into the device. Suddenly a voice starts talking to us "one moment please while your directions are plotted". Within seconds a map appears on the display and a voice says, "Proceed straight ahead 2 tenths of a mile and turn right onto 1st street". As we start driving straight ahead suddenly the device starts beeping.

I ask what is that sound and I am told it is telling us that we must turn right at the next corner. After turning right the device immediately states "proceed 3 tenths of a mile and turn right." The same beeping sound is heard as we approach the corner. Blindly following the directions of the device we enter onto a highway where the machine tells us "the highway divides in two miles; proceed to the left lane." A short time later it states to move into the left lane the highway divides in 1-½ miles.

Well you get the gist – the level of detail was very impressive as well as the fact that we were

blindly following this voice telling us when and were to turn, (I must admit I peeked at my map and directions)

It made we wonder, why are we so willing to blindly follow the direction from this device while in our project we manage we are reluctant to establish performance indicators that will guide us through successful implementation.

Think about the project or products you manage. Do you manage by reaction to events or by prescribing the directions? Could you imagine a car navigational device telling you where to turn after you pass the intersection? You would not tolerate that device. However, in managing our projects that seems to be the norm rather than the exception.

Every endeavor we undertake consists of the same group of elements to manage: scope, time, cost, quality, human resources, communication, risk, procurement, and the integration of them all together. We are not saying that every project must have a documented level of detail for each element/area. Experience, risk, complexity, etc. will dictate the level required to be documented. However, the project manager should be skilled in each of the nine areas, and have the ability to establish performance indicators to in order to meet the goals of the corporations and the client.

In future articles we will explore the nine elements / areas, the tools and techniques for applying the areas and how to develop and implement a performance based management program to a) Enable effective and efficient management of the activities required to accomplish project and corporate goals, b) Develop tools and techniques to manage resources, (people, equipment, materials, money) as well as scope, schedule, budget, and c) Develop the tools and techniques to implement a performance based management program to drive and sustain improvements in your business.

(When you measure you manage)

Home Nursery Goes to Washington

Ann Tosovsky & Dennis Molitor attended a series of meetings regarding immigration reform. Shown here from left to right: Sen. Dick Durbin (D-IL); Dave Bender, Executive Director of Illinois Nurserymen's Association; Dennis Molitor, Home Nursery Vice President-Finance & Accounting; Anne Tosovsky, Home Nursery Vice President -Public Relations; Scott McAdams, INA representative & Sen. Barak Obama(D-IL).



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OUR MISSION:

Our Mission is to serve Entrepreneurs in the achievement of their personal goals through their organizations. The Entrepreneur is the force of our society that maintains a culture which will assist people in the achievement of their individual personal goals through their jobs. This Mission is carried out in an atmosphere of honesty, trust, and love for each other.

OUR PHILOSOPHY:

We believe that the most important asset of an organization is the human asset and the development of that asset is both a moral obligation and financial gain on the part of the ownership.

News From Our Clients:

- *The Long Island Nursery and Landscape Association has announced that at their annual dinner dance on Friday November 3, 2006 they will honor Mr. Russell Ireland, Jr. as Man Of The Year.*
- *Ron Gibbons of Gibbons Pools is a director of the Good Fellows Club whose members comprise local business & community leaders & elected officials; for over 60 years have provided anonymous monetary donations to individual people in need in Suffolk County Long Island .*
- *Dodds & Eder will have their Christmas displays featured on Fox 5 News on Long Island.*
- *Dodds & Eder received top honors for retail sales excellence from the Summer Casual Furniture Retailers Association.*
- *Wonderland Tree Care is the first tree care company on Long Island to receive accreditation from the Tree Care Industry Association.*
- *Chuck Tosovsky of Home Nursery Inc. in Edwardsville donated more than 1,000 plants for The Gardens at Southern Illinois University Edwardsville project. Chuck is a past president of the SIUE Foundation.*

MANAGEMENT SEMINARS

FALL 2006

Long Island, NY

Begin with Excellence
(Recruiting & Selection)
September 19-20-21, 2006

K. A. S. H.
(Training & Communication)
October 17-18-19, 2006

Controlling Excellence
(Management & Motivation)
November 14-15-16, 2006



SENIOR MANAGER
CUSTOMER ONE

To be announced

MANAGEMENT SEMINARS

WINTER 2007

Location to be announced
Begin with Excellence
(Recruiting & Selection)
January 23 - 24 - 25, 2007

K. A. S. H.
(Training & Communication)
February 2007

Controlling Excellence
(Management & Motivation)
March 2007

*Kraft Associates/ODA, Inc.
Seminars*