



CHRONICLE

Dedicated to bringing interesting leadership trends to senior executives focused on integrity and values.

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Good Managers Focus on Strengths, not Weaknesses

Managing employees successfully is a rare talent. Even rarer is the ability to lead, and all good managers are not necessarily good leaders. "I do think there is a rather keen and distinct difference between managing and leading," said Marcus Buckingham, author of the book **First, Break all the Rules**. The chief responsibility of a leader, for example, "is to rally people for a better future. If you are a leader, you better be unflinchingly, unfailingly optimistic. No matter how bleak his or her mood, nothing can undermine a leader's belief that things can get better, and must get better. I believe you either bring this to the table or you don't."

Along with that optimism, great leaders can also bring big egos -- and that's not a bad thing. While some have blamed the business world's recent string of scandals -- Enron, WorldCom and others -- on bloated executive egos, Buckingham disagrees. It's not ego that ruined Ken Lay, but rather a lack of ethics. There's a big difference, Buckingham said. And considering the responsibility facing business leaders to build a future for their companies, a big ego might be what is needed.

"If you are going to lead, you better have a deep-seated belief that you should be at the helm, dragging everyone into that better future," he said. ... Buckingham said successful leaders must find a "universal truth" to rally their followers. These universal truths stem from the basic human needs, fears and desires that unite all people, across all cultures. They also happen to be great tools for leadership...

"The best way to turn anxiety into confidence is this: Be clear. Clarity is the antidote to anxiety. If you do nothing else as a leader, be clear." Former New York City Mayor Giuliani provided a good example of effective leadership through clarity, Buckingham said. When Giuliani took office in 1993, he

could have turned his attentions just about anywhere; America's largest city certainly had its share of problems.

But Giuliani set one specific, clear and focused goal for his administration. He would reduce crime and improve quality of life for residents. Then he laid out three simple ways he was going to start making that happen: He announced he would get rid of the window washers who pestered New York City drivers; clean subways of graffiti and then keep the vandals away; and make all cab drivers wear collared shirts.

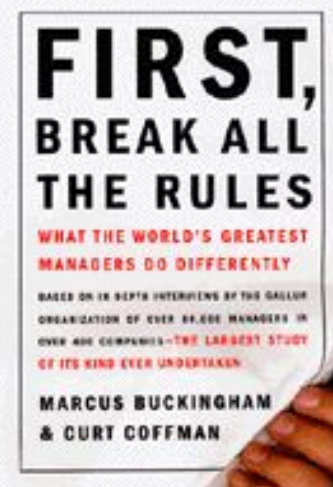
The issues were, on their surface, minor. But they were relevant to his citizens. And by setting three immediate goals -- and then achieving them -- Giuliani was able to build trust among residents and respect among his workers. That trust carried over as he tackled larger challenges, and within a few years of his arrival, the FBI named New York the safest big city in America. "You can do a lot worse than pick just a few areas you want to take action on right now," Buckingham said....

"When you want to lead, start with the future." Buckingham said. "**Get specific. And get vivid.**"

Part 2 of 2

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<http://knowledge.wharton.upenn.edu/index.cfm?fa=viewArticle&ID=1223>



"Good leadership is not domination. It serves through mutual benefit."

Fred Smith, Sr, Consultant and author

TECH'S BIG COMEBACK

Two rubbery-looking potted plants adorn the lobby of 285 Hamilton Ave. in downtown Palo Alto. The five-story building sits across the street from City Hall and is a short bike ride from Stanford University. Google got its start down the street, as did Yahoo and Sun Microsystems. Downtown Palo Alto is the focal point for the massive surges of company creation that periodically course through Silicon Valley, and over the years, 285 Hamilton has proven to be an unusually accurate barometer for detecting early changes in the wind.

In the bubble days, cash-drunk startups jockeying for space packed the 285, as it's known. When the music stopped and the money ran out, so did many of the 285's tenants. Aside from a handful of long-term occupants... much of the structure has been vacant since 2000.

That began changing about six months ago. Startups like digital-photo-sharing firm FilmLoop and social-networking software maker Imeem have moved into the 285. Business consultants and investment bankers are there, as are a law firm specializing in intellectual property and a new venture capital outfit... "Now it's completely full." So are many of the neighboring office buildings in downtown Palo Alto, and the coffee shops and the restaurants...

What is on display in Palo Alto -- indeed, increasingly in all of the nation's tech centers, from Seattle to Austin to New York--is the early stage of a new technology boom of potentially unprecedented power and durability. That may sound absurd at a time when the country seems besieged by ominous economic forces, from grinding wars to devastating floods to runaway gasoline and heating bills. But a growing body of evidence, both statistical and anecdotal, suggests that tech is taking flight again. And this time, even some circumspect observers of the tech scene believe, the industry could soar to greater -- and more sustainable -- heights than ever before.

Signs of the renaissance are popping up everywhere. Venture capital is flowing more profusely than it has since the late 1990s; money invested in early-stage startups could top \$1.5 billion this year, up 50 percent from last year and almost double 2003's figure. More significantly, the average seed investment, \$4.4 million, is three times what it was a year ago and larger than it was in 2000. That means that VCs are valuing startups at higher levels than at the height of the boom.

The downward trend in IT employment has abruptly reversed course, as companies both new and old hoard engineers. From January through June, tech added 161,000 new jobs, after losing 1 million from 2001 through 2004. Many of these jobs are in Silicon Valley, but IT hiring helped drive unemployment down in

every major tech hub, and the Bureau of Labor Statistics predicts that Austin, Raleigh-Durham, and San Diego will all see double-digit employment growth in the next six years, largely from tech hiring.

Corporate IT spending, both an engine and an indicator of tech industry health, was up 9 percent through the first half of 2005 and is expected to rise 7 percent more in 2006. And it should spurt more strongly starting in 2008, when, Forrester Research and others predict, the current replacement-buying spree caused by yesterday's tight budgets will give way to a new wave of investment in cutting-edge technology. Commercial real estate, dead in most tech hubs postbubble, is roaring back: In San Francisco, the cost of premium space is expected to rise 20 percent next year to \$37 a square foot -- short of the bubble peak of \$84, but higher than it was in early 1998. In downtown Austin, rents are up by as much as 20 percent, says Carl Condon, a real estate executive at Commercial Texas. "We have not been this busy since the last boom," he says...

Those black economic clouds could indeed rain on this parade. But many believe that the fundamental forces shaping tech's resurgence are resilient enough to bear up under all but the deepest

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recessions. In fact, the tech industry in many ways is following the classic arc of boom-and-bust cycles produced by transformative technologies of the past, from the steam engine to electricity to the automobile. Each time, the revolutionary technology -- the Internet, in today's case -- brought a burst of new enterprises that were just too early and got wiped out by brutal consolidation.....

At the same time, other corporations, having skimped on tech spending for years, are reaching the limits of their ability to avoid significant upgrading. Many tech executives say costs were cut so much during the past five years that there's no way to grow the bottom line without investing heavily in innovation and research, and that is usually accompanied by acquiring new cutting-edge tech systems. Forrester Research projects that IT spending will shift into high gear after 2008, when annual increases will surge into the double-digit range not seen since the late '90s. No one knows yet what effect Katrina, Rita, and other economic harpies will have on those projections. But as of now, there are clear signs of an IT spending uptick...

To read the entire article go to <http://www.business2.com/b2/web/articles/print/0,17925,1119656,00.html>

Michael V. Copeland (mcpeland@business2.com) is a senior writer at Business 2.0. Om Malik, November 2005 Issue

"It is no sin to attempt and fail. The only sin is to not make the attempt."

Suellen Fried, Author and Speaker

RADIO INTERVIEW

ASLON Group was recently interviewed on a local business radio program where we were asked about our process and business philosophy. Tim Smith was interviewed by talk show hosts Doug Magill and Paul DeLuca on Cleveland Business Radio about the story behind the founding of our company. The interview is now available over the internet so we thought we would pass along the link so you could listen while you are reading the rest of your Chronicle. Enjoy!



<http://www.clevelandbusinessradio.com/interviews.htm>

ANOTHER OHIO SEARCH SUCCESS!



We are happy to announce that the new Vice President of Marketing for Enerco Group Inc. is **Dennis O'Toole**, who will direct the overall marketing functions for EGI including product marketing, marketing communication and strategic marketing alliances.

Mr. O'Toole was most recently the Director of Supply Chain Management for Commercial Turf Products / MTD Products. He has over 13 years of experience in the manufacturing industry and has held senior management positions at such companies as Avery Dennison and BF Goodrich. Mr. O'Toole received his MBA from Case Western Reserve University and his BA from Cleveland State.

Enerco Group Inc. (EGI), the parent company of the nationally recognized Mr. Heater™ and Heatstar™ by Enerco brands, is a leading manufacturer of premium quality, portable and installed heaters, for the DIY, Sporting, Construction and Commercial/Industrial markets. Based in Cleveland, Ohio, EGI has been manufacturing these products for over 40 years and has the manufacturing, engineering, and marketing expertise to assist its customers with a variety of heating needs; from warehouses, factories, loading docks, auto repair shops, pole barns and farm buildings

Happy Holidays!

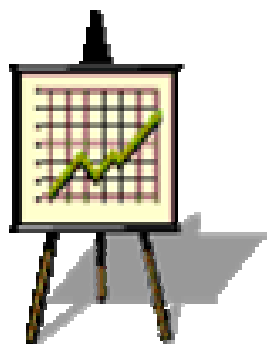
The management and staff of ASLON Group wishes you a very happy holiday season. We are thankful for the many business relationships we have and hope to remain of value to you and your organization in the future.

Happy New Year!



ASLON Group

8401 Chagrin Road, Suite 3
 Cleveland, OH 44023
 Phone: 440-543-0334
 Fax: 440-543-0314
 www.aslongroup.com



"Let him that would move the world, first move himself."

-Sophocles

Mission Statement

Our mission is to be the leading integrity-based retained search firm focused on identifying, assessing and delivering world class leaders.

TOP TEN WORKPLACE/WORKFORCE FORECASTS FOR 2006

1. **Intensifying competition for qualified workers.** As the economy continues to grow, more jobs will be created. Employers will become increasingly aggressive in their efforts to recruit people who are qualified to do their work. A limited supply of workers with the right education, training, and experience will force employers to operate with inadequate staffing, causing a risk of not meeting customer expectations and/or not maintaining market position.
2. **Gradually increasing attention to employee retention.** The rising heat of the employment market will motivate an increasing number of employees to change jobs, often responding to attractive incentives. Employers will realize, often too late, that their attrition rates have skyrocketed and it has become more difficult to hire replacements easily. Retention strategies will often be defensive, rather than preventative.
3. **Increasing investment in older workers.** In need of a stable workforce comprised of people with wisdom, experience, and reliability, employers will emphasize retention and hiring of older workers. Seniors seeking income-full or supplemental, social relationships, and a desire to stay active and productive will continue working into their eighties and nineties. Traditional retirement will be replaced by shifting lifestyles.
4. **Shift in retirement plans to lifetime lifestyle funding.** With the evaporation of traditional retirement, long-term wealth accumulation plans will modify pay-out options to offer greater flexibility. As people age, they may draw from savings to finance sabbaticals, pay for world travel, fund education, or subsidize other non-work activities.
5. **Continued off-shoring of some work, coupled with return of other work.** Employers in developed countries will continue to send work to less-developed regions for cost savings. More low-cost production communities will be established around the world to absorb the demand. Concurrently, work that is sensitive to customer satisfaction, involves cross-cultural communication, or is technical with a need for quality or creativity will return to points of origin...if indigenous workers are available to do the jobs.
6. **Larger investment in corporate training.** The need for better trained skilled workers-and managers-will drive increased investment in corporate training. More companies will grow their education and development programs, utilizing internal resources, community colleges and universities, and outside contractors. Emphasis will be placed on the development of future leaders, providing fast-tracking in those organizations that already lack competent leadership.
7. **Growth in telecommuting.** Workers desiring more control over their time, seeking better life-work balance, will persuade employers to facilitate telecommuting options. Utilizing available and emerging technology, remote employees will be highly connected to co-workers, customers, and company leaders. Long distance and international telecommuting will increase with the growth of globalization.
8. **Expansion of staffing industry.** The difficulty in finding qualified talent will drive more employers to rely on staffing firms to source applicants for them. Recruiters will be in high demand as firms rush to grow to meet immediate needs. As agencies compete with higher use of niche job boards for Internet job searches, technology, including sophisticated applicant tracking systems and related software, will be applied to a greater extent.
9. **Heightened flexibility in work arrangements.** Employers competing for qualified workers will support a wide range of options of work arrangements including shorter work-weeks, flexible hours, and job-role modification. Increasing emphasis will be placed on results, with managers and subordinates becoming more equal-like partners-in accomplishing work. Even in organizations with deep hierarchies, work environments will feel more level.
10. **Employer dissatisfaction with product of schools.** Managers will become increasingly frustrated with the low level of preparation of the workforce, particularly entry level applicants. Their complaints will be heard by senior corporate executives who will demand greater performance from public schools and technical, community, and four-year colleges. Community leaders will focus resources on improving local education to improve tomorrow's workforce.

For additional information on any of these forecasts, call The Herman Group, Strategic Futurists, in Greensboro, North Carolina, at (336) 282-9370. http://www.hermangroup.com/futurespeak/top10_2006.html