

THE ONSTOTT GROUP
Trusted Partners in Executive Search

The Onstott Group serves clients with retainer-based executive search within technology, telecommunications, financial and professional services, consumer products, venture capital, and high growth companies. We invite you to visit our web site at www.onstott.com.

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Onstott Newsmakers

Pat Campbell Named to Top 10



Pat Campbell, co-founder and Managing Director of The Onstott Group, has been named to the Top 10 Recruiters by Women's Business Boston.

Each month Women's Business asks readers for nominations to create a Top 10 list in a particular category. Pat was listed among dynamic professionals readers turn to for top notch search expertise. Her clients describe Pat as "dynamic and passionate", "highly professional", and "determined to win and succeed". They emphasized Pat's "amazing ability to weave herself within the company culture...upholding her business ethics while executing decisively and above and beyond expectations."

Topics

FROM THE ONSTOTT GROUP

Client Snapshots

Interview with Paul Lightfoot, President and CEO of AL Systems



At the end of 2001, Paul Lightfoot joined AL Systems, a fledgling company tucked away in northern New Jersey, about 35 miles west of the George Washington Bridge. The company provides clients with supply chain solutions that improve the flow of merchandise through distribution centers. The company's clients include well known brand names such as REI, Urban Outfitters, Pacific Sunware, 3M Pharmaceuticals, Kohl's Department Stores, Tiffany & Co., Talbot's and Men's Warehouse. The company had been around more than twenty years without significant growth, yet Paul recognized its great potential. Under his leadership, the business was stabilized in 2002, turned profitable in 2003, grew 18 % in 2004, 35 % in 2005 and 50% in 2006.

In early fall 2006, Paul engaged Brigid Oliveri Siegel, Managing Director with The Onstott Group, to help find and recruit a Vice President of Operations for the company. He needed this executive to take responsibilities for four major functional areas including Project Management and PMO, Production, Engineering and Customer Service. Ideally, this executive needed to have relevant experience in a company that delivered integrated enterprise software (license, services and hardware) solutions and experience in delivering projects in the \$200K to \$1 million range.

We asked Paul what the trigger points were for hiring a VP of Operations in a company of this size. Specifically, we asked about his experience going through this process. The following are Paul's insightful responses.

What precipitated the need for a VP of Operations at AL Systems? What problems were you trying to solve?

AL Systems has grown 140% in revenues over the last four years. The technology is more complex and the client requirements are more rigorous than ever. I had been leading operations on my own and came to the realization that this mode was not scalable. Quite frankly, I was not satisfied with my performance and was concerned about the impact this had on my other priorities.

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Client Snapshots - Paul Lightfoot

Pat co-founded The Onstott Group with Joe Onstott in 1987. Her areas of expertise include placing executives in software, communications, financial services, and business and professional services. Pat currently sits on the Advisory Board for the F.W. Olin Graduate School of Business at Babson College, and is a member of The Boston Club, Boston's premier organization for high-achieving executive and professional women. She holds an M.B.A. from Babson College and a B.A. with academic distinction from Northwestern University. Pat can be reached at pcampbell@onstott.com

AESC View

AESC Outlook Survey Predicts War for Talent



The annual AESC Survey, conducted by the Association for Executive Search Consultants, indicates that the war for talent is just beginning. 93 percent of the 186 executive search consultants worldwide state that they expect to experience a war for talent in the next five years. Nearly 80 percent of respondents indicate that competition for executive talent is at an all time high.

The financial services sector is predicted to dominate 2007 global executive search activity. Professional services, including legal, HR and consulting sectors will also be strong, followed closely by information technology, pharma/biotech, healthcare, consumer products and manufacturing industries. Functional areas that topped the list were general management/board members, CFOs and other finance executives, and engineering.

The Association of Executive Search Consultants, of which The Onstott Group is a member, is the worldwide professional association for the retained executive search industry.

What was the impetus for hiring a retained executive search firm?

This was actually my first retained executive search. A book I read, *Rights of Passage*, had a major impact on my ideas about how recruiters worked. Before reading this book, I thought that contingency and retained firms worked pretty much the same, with retained firms just focused on a higher level. However, I came to realize that high quality retained executive recruiters were totally different from contingency recruiters. In fact, the only thing they have in common is "recruiter" in their names. I came to see that the business model for retained executive search was totally different.

The reasons for hiring a retained executive search firm were really clear. I was confident that I could close the right candidate. I also knew that I couldn't find enough of the right candidates who met my criteria within a specific time frame. It had to happen fast and without the risk of running wrong or long.

An example of one of the more compelling reasons in hiring a search firm is the recruitment of passive candidates. We met an impressive finalist candidate who we strongly considered making an offer, and he was not looking for a new job. There was no way we would have identified or connected with him on our own.

What key skills, knowledge, experience and personal qualities were you seeking in a VP of Operations?

First and foremost, I was looking for deep leadership experience, someone who could make people both happy and effective. This individual had to be an evangelist in their culture, equivalent almost to a religious zealot. The VP of Operations also needed deep experience in a business model similar to ours.

What impact has this hire had on your functioning as a CEO and on the organization?

It has dramatically freed up my time to spend more time with clients, more time on strategy and leadership and more time on M&A matters and finance. As for the organization, the VP of Operations immediately changed workflows and processes. There has been reduced confusion, increased productivity and quality, which, in turn resulted in happier clients. Above all, we have increased accountability and the company is getting and using feedback more effectively.

How did you transition the VP of Operations into the company and taking over your previous responsibilities?

The transition began months before we formally started the search. I kept daily notes, aggregated them and came up with a clear list of recommendations and expectations. I handed this document to the VP of Operations on his first day with AL Systems.

When doing performing references* on Mark, I asked how he was best led. They shared that he liked to be deeply empowered and given the opportunity to figure out his own path. For the first six weeks, Mark and I had dinners dedicated to discussing the transition.

* These were in addition to the references done by the search consultant

Continued on next page

Client Snapshots Paul Lightfoot (continued from above)

Any closing thoughts about the search process or your thoughts today, several months since the VP of Operations joined AL Systems?

I guess I would say that it was remarkable that we had three candidates that matched our criteria so well and so quickly. Interestingly, they came from companies that I did not know of beforehand.

In part, I attribute the successful outcome of our search to the unusual amount of time and effort I spent in picking the right search consultant. I had very detailed requirements and carefully checked references. One consultant was surprised by the "rigor" of my process.

Finally, Mark Kushner, the Vice President of Operations, is one of the best hires of my career. It happened when I needed it and how I needed it.

SAVE THE DATE

THE 22nd ONSTOTT INVITATIONAL GOLF TOURNAMENT

Proceeds to benefit The Neely House which is a model bed and breakfast style home away from home within the walls of Tufts-New England Medical Center. It was created to help pediatric and adult cancer patients and their families while undergoing treatment.

Monday, August 6, 2007
Woodland Golf Club, Newton, MA

Details will follow

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Recent Appointments

Computers/ Software/Systems



Kronos, Inc.,
(NASDAQ: KRON)
has appointed **John**

O'Brien Vice President North America Sales. John was previously Vice President, Global Sales for EMC². Kronos empowers organizations around the world to effectively manage their workforce by delivering software and services that enable organizations to reduce costs, increase productivity, improve employee satisfaction, and ultimately enhance the level of service they provide.



Congratulations to **Mark Kushner** who joined **AL Systems, Inc.** in Rockaway, New Jersey, as Vice President of

Operations. Mark was formerly Vice President, Corporate Development for Systech International. AL Systems provides clients with supply chain software solutions that improve the flow of merchandise through distribution centers.

Energy



Protonex Technology Corporation has named

Bob Barry Vice President Product Engineering. Bob comes to Protonex from Presstek, where he was Director of Engineering. Protonex is an early-stage, venture capital backed company that designs, develops and produces fuel cell power systems with applications for a number of highly promising markets.

Non-Profit/Higher Education



John Marchiony was named Chief Marketing Officer for **FIRST (For Inspiration and Recognition of Science and Technology)**. John was

formerly President of Unicorn Strategic Program Partners LLC, where he provided strategic marketing consulting to non-profit organizations and corporations. **FIRST** was founded in 1989 by inventor and entrepreneur Dean Kamen, to inspire young people's interest and participation in science and technology. **FIRST** designs accessible, innovative programs that build not only science and technology skills and interests, but also self-confidence, leadership, and life skills.

FIRST has also appointed **Julia Howell** Senior Director of Development. Julia's career in non-profit includes Director of Development, Capital Campaign, Marketing & Membership for the San Francisco Zoological Society. Most recently she was Director of Development for Villa Augustina School.

Health Care



Beacon Hospice, an emerging leader in the hospice care market in New England, has appointed **Ed Saraiva** Chief Financial Officer.

Ed joins Beacon Hospice from Veridigm, an early-stage technology company that was successfully sold to SAS, Inc.

In a separate appointment **Beacon Hospice** named **Jean Smith White** to the position of Controller. Jean was formerly Director of Finance for Landmark Medical Center in Woonsocket, RI.