



360 Degree Feedback Report For:

**Tom Smith, EVP of Products & Operations
Ronco Software**

January 3rd, 2007



Introduction

This feedback report is based on the results of eight telephone interviews that were conducted in December 2007. The following people provided feedback on Tom Smith's strengths and development needs as the EVP of Products & Operations at Ronco Software:

Bosses: Bob Calder and Don Bachelor

Peers: Jim Franks, Kevin Turbin, and Karen Parker

Direct Reports: Leigh Wilbanks and Marion Abrahamson

Other: Lee Fredericks

Dan Gains was contacted but was not able to provide feedback.

The remainder of this report is divided into three sections. The Executive Summary provides an overview of Tom's strengths and development needs as seen through the eyes of these raters. The Individual Responses section provides a compilation of the more specific, detailed comments made by the raters during the phone interviews [categorized by the relationship level (i.e., Boss, Peers, Direct Reports)]. Some of these comments were sanitized in order to protect rater anonymity. The third section provides rater feedback about Tom's ability to play four roles identified as critical by the Board of Directors for next CEO.

Executive Summary

In general, there was a great deal of consistency across level regarding Tom's strengths and development needs. In some cases, the perspective of the raters at the Boss and Peer level was more forward looking and focused on larger Ronco Software-wide issues, whereas the Direct Reports focused more specifically on strengths and development needs associated with his current role.

Key Strengths

It is evident that across levels, Tom is seen as a very intelligent/technically competent leader, who is intensely dedicated to his people (in engineering) as well as playing an important role for Ronco Software.

- Technically Competent/Intelligent
 - This strength was reported by every respondent; ability to analyze large amounts of information quickly and accurately; excellent judgment; curious and insightful; clear and articulate.
- People-oriented Leader
 - Dedicated to people development; matches internal developmental needs with Ronco Software's needs; proactive coach and mentor; routinely advocates for and represents his people.
- Loyal and Dedicated
 - Trusted, vital member of the Ronco Software team; places the goals of the company ahead of the goals of engineering.
- Disciplined Executive
 - Involved, a keen ability to implement and execute; ability to make/implement tough decisions (i.e., cost-cutting and layoffs), but does so with compassion.
- Active/Willing Participant
 - Executive Customer Sponsorship Program and making trips to Europe once a quarter; keen interest in interacting with customers to help his area meet their needs; willing to take on a hot topic even if is outside his area.

Key Development Needs

One key trend that emerged during this process was a tendency for Tom to develop an over reliance on some of his strengths. Specifically, strengths pushed too far can become liabilities. For instance, many people when discussing his intelligence, decisiveness, and ability to make decisions, also indicated that oftentimes this extends too far and results in quick decisions, not involving others, and a sense that he needs to be involved with all of the details. This becomes more complicated by Tom's tendency to not want to "revisit" decisions once they have been made, even with the emergence of new or different data.

- Broad-Business Perspective
 - Business leader first, engineering leader second; needs to be seen as someone who is willing and able to take risks and make things happen; leading thru people instead of leading thru projects.

- Control Issues
 - Often is too involved in the details; wants to have a hand in everything; seen as the "bottleneck" in the process; does not enjoy "shared" responsibility; tendency to try to fix problems and issues prior to informing others.

- Listening/Empowering Skills
 - Take the time to "hear" and understand what people are saying; develop people thru delegation; create a "safe" environment for people to grow, develop, and take chances.

- Emotional Reactivity/Control
 - Overcome by emotion in meetings (across levels); at times, loses sight of the issue due to the emotional attachment; yelling in meetings at both peers and subordinates.

Detailed Responses: Bosses

Key Strengths

- Willingness to get involved
 - Willing and eager to cross boundaries and/or take ownership of a project or process, even if it is outside his area (and a “hot” topic); co-leadership with commercial on the “implementation and upgrade center”.
- Disciplined executive
 - Very focused and driven; has a keen focus on the tasks at hand and making sure things get done; an excellent skill given the breadth of his responsibilities.
- Technical capability
 - “This is simply a given with Tom”; he is, “savvy, interested, and curious about the management of technical teams”.
- Intelligence
 - Ability to process complex and large amounts of data (oftentimes very quickly); analytical skills are superior.
- People-oriented leader
 - Projects well to his people, good communicator, people who work for him seem empowered and challenged; focused on identifying developmental needs and opportunities for his people; balances business needs with people’s skills and developmental needs.

Key Development Needs

- Broader Business Thinker
 - Need to expand focus beyond just engineering; need to be known as someone who can get things done and take risks in order to make the next step; continue working to be more than a parochial, functional leader.
- Overly Loyal to His People
 - “Blind on his people”; too close to his immediate leadership team; at times, not bringing in help as quickly as it may have been needed.
- Ambitious
 - “Wears ambition on his sleeve”; okay to use this to motivate yourself, but need to be aware of how it can be construed by others.
- Controlling Involvement
 - Need to focus on leadership thru people, not leadership thru projects; no need to be involved in everything all of the time, but there is a need to be able to delegate and turn control over to others—be able to guide others to success; level of control can be seen as oppressive at times.

- These control issues also show up in the people that are hired for his internal team; strong-minded individuals who might challenge him are NOT the kind of people he hires; does not generally enjoy working with peers in a “shared” responsibility or leadership role.

Other Comments

In summary, these interviews indicate:

- Tom is a very solid, conscientious, dedicated, and loyal member of the Ronco Software management committee with a great many capabilities and attributes that make him an important member of the team.
- He needs to continue to work on gaining exposure to the commercial side of the business as well as being more on the leading edge of change initiatives—be someone who drives change.
- His desire to continue to improve, to get better, and always seek feedback are things that will continue to serve him well.

Detailed Responses: Peers

Key Strengths

- Technically Competent/Intelligent
 - On top of his game; can answer virtually all questions about technical issues; knows what his team can/can't do.
- Internal Team Building (Engineering Team)
 - Focused and committed to developing his people and fighting for them in promotion, raise, and lay-off decisions; fosters camaraderie and morale; strong team identity.
- People Focus
 - Even when Ronco Software was under investing in HR, Tom found ways to support his team; wants to make sure the right things get done.
- Detail-oriented
 - Especially with respect to processes and timelines; prior to Tom engineering missed dates and customer commitments—this occurred too frequently—results are the evidence, much better performance; “able to grasp a level of detail that is surprising”.
- Objective/pragmatic thinker
 - Brings the engineering perspective and has strong opinions, but keeps the Ronco big-picture in perspective as well.
- Open to new ideas
 - This has been very clear during the recent strategy shift to an “on-demand” model; continues to look for ways to contribute to the new strategy development and implementation.
- Keen customer interest
 - Shows a willingness and desire to interact with customers much more so than others (i.e., quarterly trips to Europe).

Key Development Needs

- Expand Business Perspective
 - Need to be able to wear the “Ronco Hat” as well as the “Engineering Hat”; search for ways to demonstrate skill at the Ronco level—ability/willingness to take on tasks, take risks, and get things accomplished.
 - Develop a broader understanding of how internal engineering decisions to make change also impacts the other business units in the organization.
- Willingness to accept criticism/feedback

- When given suggestions or criticism not uncommon to see a “circle the wagons” mentality; if something goes wrong it is a personal flaw/weakness; not interested in engaging in a conversation for the sake of learning.
- Need for control and involvement
 - Has an intense desire to control and drive processes across many levels (details, timelines, etc.); too involved in the details.
- Culture of Customer Service
 - Perception that the engineering team is not responsive enough, not as customer focused as it needs to be; tolerance for sending projects to the field with problems is too high.
- Avoiding parochialism
 - Identified as something people have seen significant improvement with, but something that requires vigilance; need to be more than a functional leader; continue to see/explore the Ronco level issues.
- Stoic/Rigid Sense
 - Has a strong set of convictions, but at times this can lead to emotional reactions during meetings; not uncommon to hear, “I am pissed” with noticeable reactions; appear guarded and stand-offish at times.

Other Comments

In summary, these interviews indicate:

- Tom is valued as a peer and member of the team.
- His excellent technical skills and intelligence will be an even bigger lever for Ronco with a broader business view.
- The areas listed as development needs are not necessarily weaknesses, rather they are opportunities to enhance/maintain effectiveness.

Detailed Responses: Direct Reports

Key Strengths

- Decisive
 - Ability to make quick decisions (some times too quickly); synthesizes information and arrives at a decision point.
- Technically Competent/Intelligent
 - Smart, good judgment, and common sense that he uses to routinely provide good guidance for both technical and leadership tasks.
- Drives for Accountability
 - Desire to track failures and missed commitments; a need to understand what happened and why it happened (and how it can be fixed).
- Integrity
 - Very honest and direct with communication; balances the best interest of the company with the people issues—even during layoffs and cut-backs, he was honest, open, and compassionate; follows through on promises; guided by principles.
- People Skills
 - Not necessarily a “touchy-feely” guy, but it is clear he cares about his people; focused on employee development and improvement.
- Coaching/Mentoring
 - “Phenomenal mentor”; “ranks in the very top of my experiences of people I have worked for”; engages in both reactive and proactive coaching and development (on leadership and technical competencies).
- Teamwork-minded
 - Encourages cross-functional work as well as cross-project work with groups outside of engineering.

Key Development Needs

- Employee (Leader) Empowerment
 - He wants to control more than he needs to; needs to delegate more to his leadership team; create an environment where team members feel free to contribute, take risks, be creative, and be helpful to the whole team.
- Meeting Structure
 - Staff meetings, in particular, are too “boxy”, too structured; need more room for discussion and sharing of ideas; often the environment is too “sterile” with the sense that the team is being addressed instead of having a discussion.

- Create a “safe” environment where people are able to take chances, share ideas, and make mistakes.
- Overly Decisive
 - This is a case of a strength carried too far; being decisive and able to make quick decisions can be good, but not if it is at the expense of buy-in, accuracy, and development.
 - Does not like to change a decision once it is made, even if there is new or better data.
- Listening Skills
 - Appearance that there is a rush to make a decision instead of hearing the arguments or collecting more information; seems less interested in discussing/listening if it is an issue where Tom has a strong opinion— not open to other views.
- Emotional Control Issues
 - Can lose his temper at meetings, which is usually manifested in yelling at people; can be very intimidating, especially to lower level employees.
- Large Group Communication
 - Very good in small group settings, but in larger groups comes off as “dry” and lacks animation; this can result in being seen as unapproachable, especially early on in the relationship.

Other Comments

- In summary, these interviews indicate:
- Tom is respected and admired; not uncommon to hear comments like, “best manager I have ever had”; “best leader I have worked for”; “high opinion”; “achieves results”.
- With a focus on some of the development needs, it is probable that Tom can create and even stronger team and achieve better results.

Detailed Responses: Other

Key Strengths

- Loyal Solider
 - Committed to the leader and associated agenda, regardless of who he works for (i.e., cost-cutting and layoff examples).
- Intensely Goal Oriented
 - Not receptive to a “this can’t be done attitude”; does not stop driving.
- Strategic Thinker
 - Focuses on market and industry issues; “surprisingly strategic for someone in his position”; always looking for ways to develop his department to have it ready for the next challenges and opportunities.
- Strikingly Analytic
 - Cuts to the heart of the problem; if projects encounter problems he quickly assembles key players and works to be sure the issues are dealt with quickly.
- Genuinely kind and good person

Key Development Needs

- “Push Back” Skills
 - Skills associated with gracefully pushing back, when appropriate could be honed—both upward and downward; need to encourage healthy push back from direct reports.
- Listening Skills
 - This is a distinction between hearing and understanding; don’t anticipate where the person is going—need to have patience and hear them out.
- Consensus Building
 - Opportunities to empower direct reports and get more buy-in; do not always have to shift immediately to a “directive” leadership model; take time to build consensus (this also applies to interactions with the management committee).
- Board Room Experience
 - Finding opportunities to have more exposure to the Board of Directors; involvement with investor relations, etc.

Other Comments

None

Critical CEO Roles: Strategist

The Board of Directors identified 4 out of 13 possible roles that were critical for next CEO. Comments about Tom's ability to fill each of these roles are as follows:

Bosses:

- He is solid in this role, but not world class
 - Contributor, not a driver
 - Not a natural skill set for him
- It does not raise a flag as a weakness, but it is not a strength
 - When thinking about opening the network, even though it was the right thing to do, he was a resister (even in the face of objective evidence); thinking was too parochial.

Peers:

- Needs to expand the way he thinks about issues—don't just wear the engineering hat.
- Strong contributor in his current role, but have not really seen him in a scenario to demonstrate this (this say something about his unwillingness to take risks and show people he can be the executive to get things done); good understanding of engineering, but little on the service side.
- Would not consider him a "thought leader" or visionary—he is clearly intelligent, but needs to take a greater leadership role (most people would say the CTO is the visionary at Ronco)
 - For instance, Tom could step forward and volunteer to set up/plan/host the upcoming Mgmt Cmte off-site (the CTO did it last year).
- Needs to be more on the leading edge, take more risks—show people he can get things done—proactive instead of just reactive.

Direct Reports:

The majority of comments from DR are constrained to his performance of these roles only in the engineering division—not much "forward looking" analysis.

- Pretty good at reading customers; would not say he is visionary with new things, but he is good at getting help from the outside.
- Recent shift to "on demand" from enterprise wide; he is leading the charge (inside engineering, but remember he was a resister at the higher level).

The Bottom Line:

With respect to this role, Tom needs a lot of work. He is very capable and able to execute once given the path, but the real question is whether or not he can set the path—chart the course (he is not viewed by anyone as a visionary, in fact, if people did comment on this it was to suggest he lacked that skill). Another concern (from bosses) is that he has not had any experience with the commercial side of the business, no P/L or revenue responsibility—another must. Ultimately, look at the big developmental needs from bosses and peers—needs more broad business perspective; needs to be and do more at the Ronco level; needs work before he would be ready for the next role.

Critical CEO Roles: Change Agent

Bosses:

- Once he is signed up to the effort, he will drive it and be effective, but he is not generally leading the charge; examples include:
 - Moving engineering offshore, reducing investment, etc. in light of the expanding engineering footprint—these were not ideas he developed or pushed forward.
 - Not embracing change; oftentimes he needs to intellectualize and rationalize before he can get on board.
 - If he were the guy at the top, would he drive the change himself? Question from Calder—he is not convinced he would.
- Needs help on this role; with in his “conservative” engineering organization he can look like a change agent (to the internals, especially given they are not very change ready), but within the business context he is not “out in front.”
 - Did it well as a follower (common theme)

Peers:

- More reactive to change efforts, not very proactive.
 - Needs to find ways to be more of a risk taker, out on the “hairy edge”, volunteer to take on tasks at the mgmt cmte level that show is a guy that can get things done, accomplish results.
- When change is inevitable, he executes well, but it takes him time to get his mind around the problem and internalized.
- His outside the box thinking tends to be too colored by his functional role. He is good at thinking outside the box with an engineering perspective, but not so good thinking outside the box and fitting that thinking back to the engineering role.

Direct Reports:

The majority of comments from DR are constrained to his performance of these roles only in the engineering division—not much “forward looking” analysis.

- Focus on the comments here were that he was very good at this. Both talked about his ability to move the engineering organization through some tough times (cost reductions, layoffs, etc.) and get them through it—significant cost reductions without dramatic impact to productivity and retention.
- In my view, this is more of an execution thing—yes it is good he was able to embrace the ideas and get his org though them, but it was more in a reactionary sense.

The Bottom Line:

With respect to this role (and quite similar to the strategist role), Tom needs work. Again, he is very capable and able to execute once given the path, but the real question is whether or not he can set the path—chart the course. It seems that his traditional engineer training (wanting to see things in black and white and the need for a correct process or set of steps to solve the problem) might hamper him in this regard.

Critical CEO Roles: Decision Maker

Bosses:

- This is one of his real strong areas (with the noted differences in his developmental needs that some times he does it too and without all of the information; or he just steam rolls his DRs).
 - Decisive guy, not a waffler, does not shoot from the hip; not afraid to make decisions and move forward.
- A real strength of his; ability to manage timelines; ensure stability of products, etc.
 - There is a lot of guesswork in his world, but he handles it very well.
 - This ability was especially visible during the Kriton-Ronco integration (after the merger); Ronco's engineering div delivered on all fronts to make this work out.
 - Made solid, unambiguous recommendations; made several tough, risky decisions early on and was right in all cases!

Peers:

- Tends to think in black and white terms—does not see shades of gray (this is again a consequence of the formal engineering training).
 - At times he is very stubborn in the discussions leading up to a decision (even obstinate); tough to get him over the hill—results from an overly parochial perspective.
- There are some perceptions and discussions at times that engineering does not always complete their due diligence in checking with all of the stakeholders when making changes (in an internal sense—working with sales, consulting, or the commercial folks).
- Needs to expand the scope of the information search in the decision making process; be willing to take some risks and anticipate some of the potential outcomes.

Direct Reports:

The majority of comments from DR are constrained to his performance of these roles only in the engineering division—not much “forward looking” analysis.

- Good decision maker, but does not always seek advice from others—this is a direct results of the “overly decisive” comments in the developmental needs section.
- Need to be more inclusive—by doing this it could lead to better decisions because potential outcomes and implications for other parties would be included in the process.

The Bottom Line:

With respect to this role, it is easily Tom's strongest role (of the four). Certainly, there are some things to work on from the perspective of being more inclusive and not trying to make decisions too quickly (or alone), but in general this is a strong area for him. Indeed, his intelligence and technical competence also add substantially to his ability to do this well. It is possible that the technical proficiency and predilection for making quick decisions without input could be a hindrance at the next level.

Critical CEO Roles: Team Builder

Bosses:

- Work well at reaching out to other parts of the organization; a strong team player.
- Inside his own organization, this could use some work—in particular, a willingness to hire people who are strong-minded and willing to challenge him could be very beneficial.
 - He always wants to have teams that he can influence, this is not always going to be possible; in some situations, when working with people that do not report to him (his peers) he often plays the “alpha male” role and finds fault with the individual; need consensus building skills and other ways to influence.
- Inside his organization is good, but he needs to work on his skills when it comes to cross-functional and cross-business teams.
- Has good info flow with DR, loyalty among DRs and rank and file workers; people saw genuine caring from him (even if it was a little awkwardly displayed/presented at times).
- Manages upward, perhaps to a fault!
 - He wears his ambition on his sleeve—this does not appear to be a problem when it comes to credibility with his followers, but it is an issue with the management committee/executive team.

Peers:

- Based on what others see and hear, this is a positive of his, within his organizations. Lots of recognition and celebrations.
- With respect to engineering and global sourcing there is a good relationship and team work atmosphere, but there are some rumblings that perhaps that is not the case between engineering and commercial (think back to the who is affected by changes made in engineering and this not always being considered).
- Several comments from peers regarding his level of people-orientation (see strengths); his willingness to focus on development of employees (even when Ronco was under investing in HR); shows concern for his people thru the way he advocates for them during HR discussions (promotions, raises, lay-offs, etc.)
- Develops and engenders a strong team identification, but this comes with a little bit of a downside as well:
 - At times the function (engineering) can seem myopic and cliquish.

Direct Reports:

- Overwhelming support for this role from DRs. People indicated they have spent significant time and effort ensuring the team they have put together works well; very diverse people and backgrounds all pulling in the same direction.
- Also, a lot of focus on his ability to coach, mentor, and develop—this allows the good to flow downhill and has really helped the organization.
- The occasional emotional outburst can be a potential problem area—especially when it occurs outside of his top team that is a little more accustomed to it (is this a good thing to be accustomed to?).
- Creating a more open/safe environment would likely lead to an even better set of team dynamics: better morale, more info sharing, more cohesion, etc.



The Bottom Line:

With respect to this role, it is one of his stronger areas. He has demonstrated an ability to work his current team through some very tough and tricky times—all the while keeping things operating well. Some of the issues his current team would like to see more of: open discussions, more input in decisions, more inclusiveness could signal problems in a role that is broader and requires even better people skills—like Calder said, he needs to lead thru people, not thru projects! Definitely needs to be more comfortable with delegating, letting go a little, trusting others to get the job done—and honing that set of “oversight” and team building skills that will allow for this to happen. The widening scope of the roles at higher levels is simply too broad for someone to continue to “over control” and “over manage” all of the processes and details!