

Chairman's message

Leadership is critical to business success. Leadership is more than a title or rank.

Personal leadership practices can make the difference between a company that survives and thrives and one that succumbs and ultimately fails.

With shrinking global boundaries, ever-changing market demands, high customer expectations and an often volatile economic climate, executives and leaders face daunting challenges and intense scrutiny.

Today's decision-makers need to effectively drive the culture and performance of their organisation. Whether you are leading in good times or uncertain times, the leadership challenge is complex, personal and demanding.

Almost daily it seems we hear stories of challenged CEOs. Like most top executives you probably have to wear multiple hats as 'leader', 'visionary', 'chief trouble-shooter', 'strategic planner' and countless others.

Developing leaders is more difficult than it may first appear.

How do top executives around the world approach leadership? Which practices do they see as most important? Where do they think improvement is needed most?

Watson Wyatt Worldwide, an international consulting firm, tackled the complex study of leadership development and their key findings form our cover story on "Leadership—The Critical Key to Financial Success". Their study found that the more comprehensive a company's leadership development effort, the better the financial results. The article's prognosis is clear: organisations must invest in their leaders in order to survive

and perform.

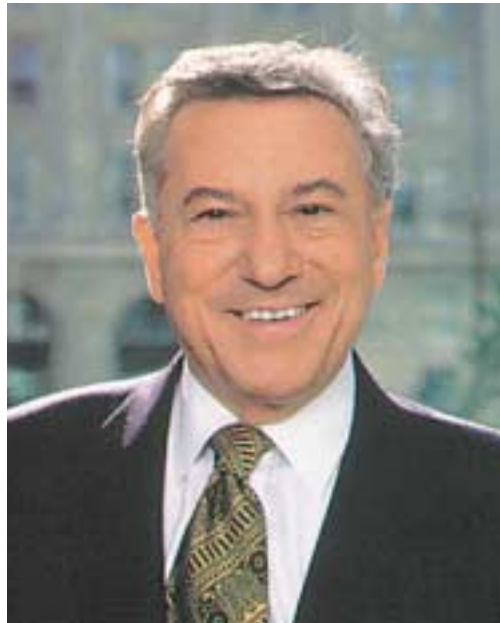
In addition to Watson Wyatt's leadership study, Dr. Jac Fitz-enz, an internationally renowned authority on human resources management and Founder of the Saratoga Institute in the U.S., recognises that "without human capital, nothing can happen in organisations."

In an interview with author Jay Chatzkel ("Knowledge Capital: How Knowledge Enterprises Really Get Built"), Dr. Fitz-enz outlines how harnessing human capital is a critical factor in organisational productivity and can vastly improve both business performance and shareholder value.

In addition to leadership and organisational productivity, another key challenge facing executives is determining a return on their human capital investment. Jack Welch, the now-retired CEO of General Electric, has said that leading CEOs "are keenly aware of the value of their people."

This concept is explored in an exclusive feature article by Jerry Amernic in "The Impact of Human Capital on Shareholder Value".

In this global edition of the Drake Business Review we provide you with insight into relevant and current business topics that executives around the world are facing



today. The Drake Business Review delivers practical ideas and solutions to help you lead your team, obtain maximum performance and get exceptional results.

Content has been drawn from respected business journals and periodicals from around the globe. The Drake Business Review includes contributions from many of the world's management thought leaders and practitioners, academics and journalists.

Topics focus on 'Human Capital Economics', offering analysis into such issues as:

- leadership effectiveness
- staffing strategies for growth and productivity
- value creation
- high performing workplaces
- organisational effectiveness
- customer retention
- e-business strategies
- performance management and
- best practices

For fifty-one years, Drake International has worked with CEOs, CFOs and decision-makers in organisations like yours to analyse and implement productivity and performance improvement solutions, using our wide reach of proprietary methodologies, technologies and services.

For all these years Drake has been delivering 'Human Capital Economics' through people, process and technology. Our single-minded focus has been on creating measurable results for your organisation. We strongly believe that organisations and people are at their highest level of productivity when they are working with the



right skills and behaviours, using the best processes and technologies and are staffed at the right level based on workload requirements.

We understand that every company has unique needs and distinct challenges as you drive and lead your company to be a top performing, productive and competitive enterprise.

As Founder and Chairman of Drake International, I am delighted to bring to you this edition of The Drake Business Review as an extension of our organisation — and as another way to help you and your company achieve a powerful competitive advantage in this global and customer driven economy.

R. W. Pollock, Chairman

The Drake Business Review invites you to forward your comments and suggestions to the attention of DBR@drakeintl.com.