Cornerstone of the Board
THE NEW GOVERNANCE COMMITTEE
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A Closer Look at

LEAD AND PRESIDING DIRECTORS

SpencerStuart

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> We founded and sponsor the Directors' Forum, held annually in the U.K. and hosted by The Wharton School at the University of Pennsylvania.

A CLOSER LOOK AT LEAD AND PRESIDING DIRECTORS

One of the most interesting corporate governance trends these days is the growing recognition of the lead or presiding independent director role as a valuable mechanism for enhancing board independence and effectiveness. More and more boards are realizing tangible benefits from having a lead or presiding director, particularly in terms of the quality of communication between the independent directors and management.

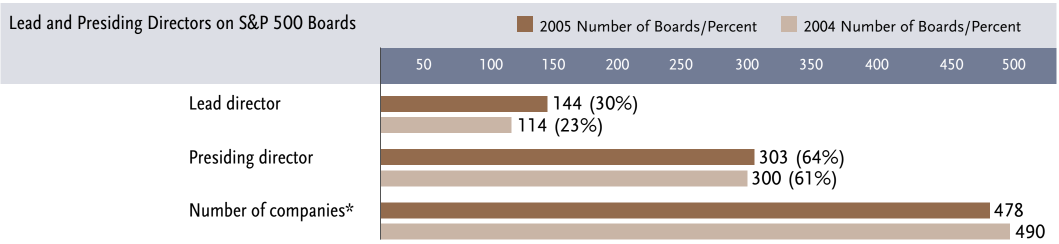
As of mid-2005, 94 percent of all S&P 500 boards had designated a lead or presiding director, up from 85 percent a year earlier and just 36 percent in mid-2003. Two factors are driving companies to create or formalize this role. First is the need to comply with the commentary to New York Stock Exchange listing requirements.[1] Second is the pressure for greater board independence from those who advocate splitting the chairman and chief executive officer jobs.

Whatever the reason, our research suggests that boards that treat the lead or presiding director role as an exercise in "ticking the box" are missing an opportunity to move their performance to the next level.

But what exactly is the brief of the lead or presiding director, beyond presiding over executive sessions of the independent directors? What are the pros and cons of having one person consistently perform these activities versus rotating the role among the committee chairs or all independent directors? Does having a lead or presiding director obviate the need for a separate chair? What difference is there — if any — between the "lead" and "presiding" title, and why are companies opting for one over the other? What kinds of experience and skills make for an effective lead or presiding director?

1. According to *Commentary to Listed Company Manual*, Section 303A.03, "A non-management director must preside over each executive session of the non-management directors, although the same director is not required to preside at all executive sessions of the non-management directors."

In the absence of clear regulatory parameters, boards are still learning as they go. This issue of *Cornerstone of the Board* explores these and other questions, with the aim of identifying emerging best practices. To shed light on these issues, we analyzed 2005 proxy data for the S&P 500 companies, surveyed 68 lead or presiding directors and nearly 150 corporate secretaries, and interviewed approximately a half dozen independent directors, most of whom currently serve as lead or presiding directors.

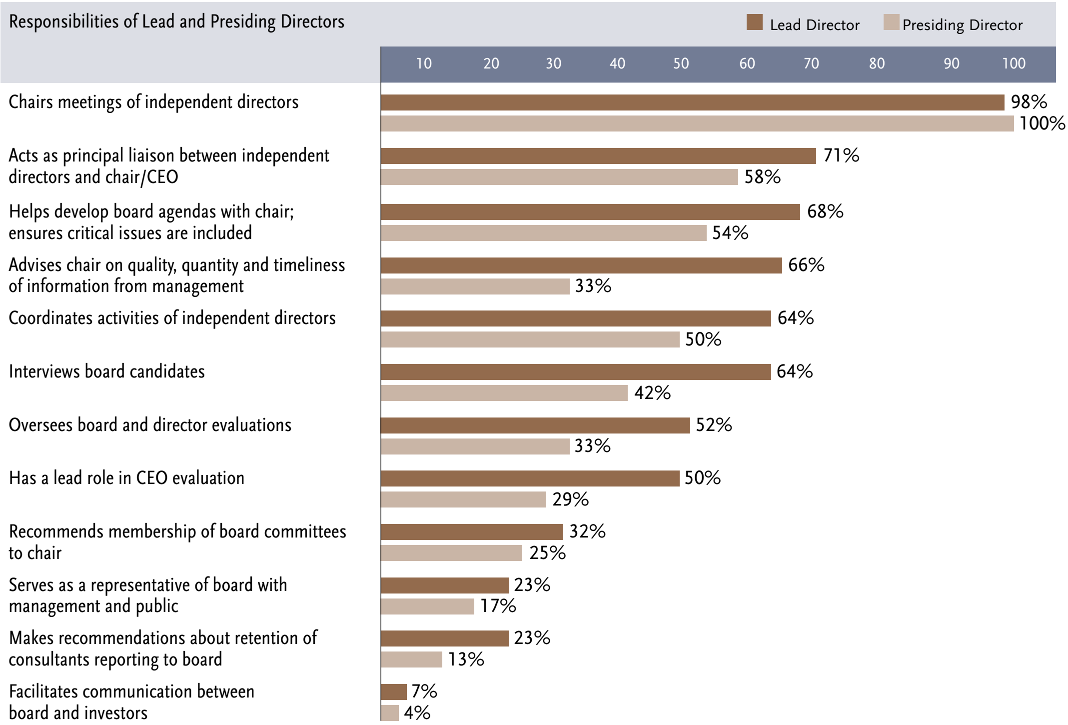


* Reflects number of S&P 500 companies that released a proxy statement for the most recent fiscal year. A number of companies did not release current proxy statements due to pending merger activity or delays in the release of the fiscal year-end financial statements.

HOW THE ROLE ADDS VALUE

While opinions about impact range from "helpful but not revolutionary" to "profound," everyone we interviewed agreed that lead and presiding directors do add value. Even in companies where the role is narrowly scoped and focused on presiding over executive sessions, directors cited real advantages. And, where the role tends to be defined more broadly, the evidence suggests that having a lead or presiding director has made the independent members collectively more accountable for and vested in the boardroom process and substance.

So what do lead and presiding directors typically do? The short answer is that the responsibilities vary from company to company and often change depending on the company's situation. And, beyond chairing executive sessions, lead directors apparently play a more active role than presiding directors in a number of respects.



Though the specific job responsibilities vary — as does the rationale for choosing the lead or presiding label — we have found that individuals in these roles are adding tremendous value in the following ways:

> Serving as a focal point for the independent directors, thereby enhancing and clarifying the board's independence from management.

> Setting a more robust agenda for the board and elevating the quality and relevance of materials received from management, which in turn have enabled a sharper focus on strategy and key issues.

> Orchestrating a richer and more productive discourse among the independent directors as well as more timely and thoughtful conversations with management.

> Providing ballast in turbulent times, such as when a company's ownership is in play or during a CEO transition.

ENHANCING BOARD INDEPENDENCE

Although independent directors now dominate the membership of most S&P 500 boards, formal board leadership is far less independent. Our 2005 proxy analysis shows that less than 30 percent of S&P 500 boards have a separate chairman and CEO, and only 9 percent have a truly independent chairman (i.e., someone who was not the former CEO or otherwise connected to management). On the other hand, all but 4 percent of companies with a combined chairman/CEO have a lead or presiding director (see table below).

Lead and Presiding Directors by Type of Chairman

	Number of S&P 500 Boards	Percent with Lead or Presiding Director
Combined chairman/CEO	338	96%
Chairman separate but not independent	94	91%
Independent chairman	43*	77%
No chairman listed	3	100%

* In 22 of these companies, the chairman also has been designated as the lead or presiding director.
Source: 2005 *Spencer Stuart Board Index*

In our view, having a lead or presiding director who serves as the voice of the majority provides a valuable counterweight in situations where the CEO chairs the board or the chairman is not truly independent. Many of our interviewees concur, seeing the role as an effective response to calls for greater board independence.

Veteran board member George M.C. Fisher, serving on the boards of General Motors, Eli Lilly and PanAmSat, believes in taking a pragmatic approach to leadership structure: “The question is, what’s the most effective way to manage? You need enough people to get the job done. In normal times, it’s typically okay to have one person in a combined chair/CEO role. However, during a management transition, or when the CEO is relatively inexperienced, it’s good to have two people. If you don’t have a separate chairman from the CEO, you do need someone in the lead or presiding role.”

BETTER MEETING PLANNING

For many boards, designating a point person to work with the chairman/CEO to plan board meetings and ensure that briefing materials are up to snuff has resulted in a sharper focus on strategy as well as more informed boardroom discussions.

Nearly 70 percent of the lead directors we surveyed indicated that their responsibilities included helping develop agendas for board meetings and advising the chairman on the quality of information received from management. Although less involved in these activities than lead directors, the presiding directors we surveyed also indicated meaningful involvement in these activities.

Linda Koch Lorimer, presiding director of McGraw-Hill Corporation, points out that the role is important in conveying and reinforcing themes to the CEO: “There are some topics that the board is interested in discussing on a regular basis yet which may not make it onto the regular meeting agenda. And there’s typically not enough time during regular board meetings for free-form, blue-sky conversations about the business. For example, following a recent board meeting, I talked with the CEO about getting some of these topics on our agenda for the upcoming annual strategy planning retreat. This takes a light touch, but it’s my role to make sure that these discussions happen.”

According to Dr. Claire Gaudiani, who chairs the governance committee on two boards, “Having a lead director energizes directors’ engagement and understanding of the company and the issues it faces. The lead director also helps to raise the quality of the materials received by directors before board meetings; for example, by telling management when their reports aren’t as clear as they could be or by requesting more information on specific topics such as competitors. As a result, directors are able to ask better questions and meetings are more productive.”

BETTER COMMUNICATION

While it takes a light touch to “herd a bunch of cats,” many independent directors acknowledge the benefits of having one person in charge of facilitating executive sessions, synthesizing perspectives and communicating the consensus view to the CEO in a timely manner. Likewise, many CEOs say they find it helpful to have someone with whom they can bounce ideas around.

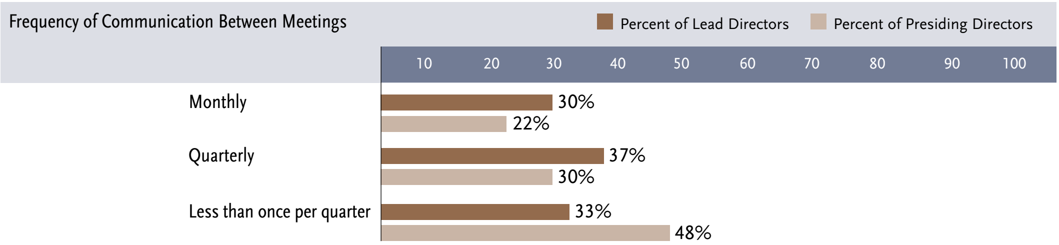
All of our interviewees said that communication — in the executive sessions, in full board meetings and in discussions with the CEO — is much richer now. As one director observes, “The quality of executive sessions and the board meetings that follow have improved thanks to much more thorough and energetic conversation.” Not only is the content better, says another, but the meetings also are more orderly because it is clear that the lead or presiding director is the official order keeper.

Overall, “there is a heightened sense of effectiveness,” notes one interviewee. “Before we had a lead director, management got a rag-tag set of recommendations from the independents. Now the discussion is summarized and transmitted in a much more organized way, resulting in more thoughtful and helpful discourse with management.”

Ilene Gordon, a director of Arthur J. Gallagher & Company and United Stationers, agrees: “Giving one person the responsibility and authority to represent all the independent directors has improved the quality of our communication with the CEO and management. Our lead director is the point person for soliciting everyone’s ideas, capturing key concepts and then relaying those messages to the CEO.”

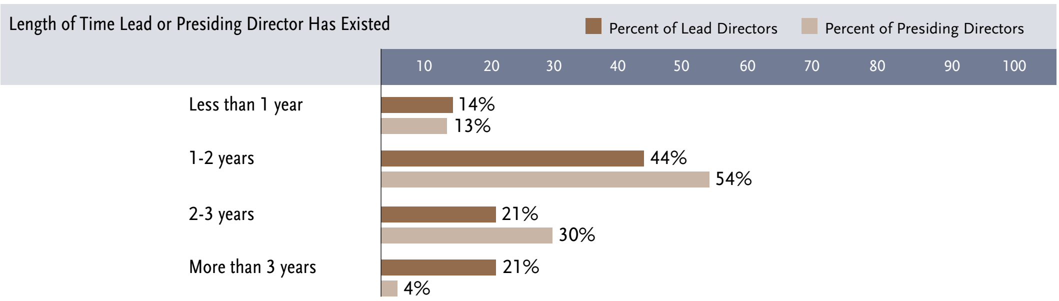
Acknowledging that it is lonely at the top, both CEOs and independent directors see benefits to having a point person. Says William Kerr, chairman and CEO of Meredith Corporation, “It’s helpful to have a known person with whom I can bounce ideas around, especially regarding governance. Right now, we’re managing my retirement in a year, and the presiding director is the person with whom I’m in contact about those issues.”

In terms of frequency of communication between meetings, lead directors tend to communicate more frequently with other independent directors than presiding directors. Two-thirds of lead directors communicate with their independent colleagues at least quarterly, while just over half of presiding directors communicate that often.



Often times, the value of having someone in the lead or presiding director role — a seasoned executive who can provide an extra set of capable hands and/or fill a leadership breach in a pinch — may not be recognized until the company faces a crisis.

Although the majority of companies have instituted the lead or presiding director role over the past three years, 21 percent of the companies we surveyed indicated the lead director role had been in place longer than that, and that the lead director was critical to managing in times of crisis.



Fisher describes a pendulum approach to the role: “When things get tough, the lead or presiding director role becomes more important. When things are more normal, it drops back. In good times, the responsibilities tend to be limited to presiding over meetings and liaising with management — all relatively easy tasks. In challenging times, however, the role becomes very time consuming and very demanding.”

Thermo Electron was fortunate to have a presiding director in place several years ago when its chairman and CEO resigned abruptly on a Friday, says Robert O’Leary, a Thermo Electron director. The presiding director stepped up to ensure order and manage the selection process for identifying a successor over the weekend. “It was important that the presiding director was the one with recognized authority to take the lead in this crisis situation.”

At both Maytag and StorageTek, according to board member Kerr, the formal creation of the lead director role predated the Sarbanes-Oxley Act and followed on the heels of sensitive changes in top management. At both companies, the board member who led the CEO search process was the lead director.

When a company’s ownership is up for grabs, as was the case for both StorageTek and Maytag this past year, there well may be potential conflicts of interest between management and the board, which is acting on behalf of shareholders. Having a lead or presiding director helps facilitate the board’s dealings with these issues, says Kerr: “It’s helpful to have continuity between the many meetings of the independent directors and others, i.e., someone who prepares the agendas, interacts with outside counsel and investment bankers, and has an intimacy with the transaction that board members don’t typically have.”

WHAT'S IN A NAME?

While the value of having someone function as lead or presiding director seems clear, there is far less consensus about what to call the role. Some boards have chosen one title over the other for substantive reasons, while others see this as a semantic debate.

Boards that have opted for the lead director label typically view the role as requiring a more sustained and strategic commitment than that played by a presiding director. These boards choose the lead moniker because they explicitly want the person to play an influential and broad-ranging role. Says one director, "On one of the boards I serve, we called the position 'lead' because 'presiding' implied a more passive role than what we envisioned. This is an energetic board that wanted a leader to help channel that energy."

For O'Leary, lead director implies that the person has influence over the chairman and CEO and in resolving board differences, while presiding director suggests a more deferential role, limited to running the executive sessions. The Valeant board, he says, consciously chose the lead title because of this distinction. The Thermo Electron board, in contrast, opted for presiding because it envisioned a more limited scope for the role because there was a chairman separate from the CEO.

Other companies choose to use the presiding label in the interest of suggesting equality among the independent directors, even though in some cases the person really plays a lead role. Robert "Kam" Kamerschen, director of R.H. Donnelly, for example, says the board chose presiding director because they felt it would be "less demeaning to the other board members" than calling someone the lead.

General Motors opted for presiding director for similar reasons, says Fisher, who currently serves in that role. "We don't like what the title 'lead director' signifies," he says. "Calling someone a 'lead director' potentially singles that person out as a super-director and implies that other directors must communicate through that person to the CEO. We prefer an egalitarian approach; all of our directors have the same rights, and their opinions all carry the same weight. We expect every director to raise issues directly with the CEO."

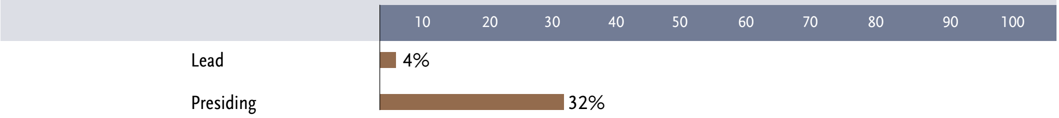
TO ROTATE OR NOT TO ROTATE?

Individual boards have reached different conclusions as to whether to designate a single person to serve as lead or presiding director for a set term or to rotate the responsibilities of the role among all the independent directors or the committee chairs. Our perspective is that under most circumstances, rotation of the lead or presiding director is less effective than assigning a single person to the role for reasons of continuity.

According to the 2005 *Spencer Stuart Board Index*, 72 percent of the S&P 500 boards that have lead or presiding directors do not rotate the role. Among the 23 percent that do, the practice is far more common among presiding directors than among lead directors. Of the 303 boards that have a presiding director, 32 percent rotate that role, compared with only 4 percent of the 144 boards with a lead director. Of the 103 boards that rotate the role, 60 percent alternate among committee chairs at each board meeting and 33 percent alternate among all of the independent directors at each meeting, quarterly or annually.

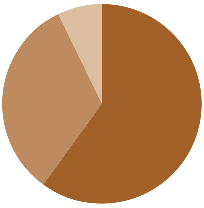
The three biggest downsides to rotation are the lack of continuity, forcing CEOs to deal with the "flavor of the month," the diffusion of responsibility for critical tasks and the fact that not all directors are equipped to handle the role equally effectively. As described earlier, much of the value of having a lead or presiding director comes

Rotation of Lead and Presiding Director Role



Source: 2005 *Spencer Stuart Board Index*

Rotation Approach for Boards That Rotate Their Lead or Presiding Directors



Source: 2005 *Spencer Stuart Board Index*

from focusing accountability in a single person who keeps a steady hand on the rudder at all times. Not only do you lose that continuity between meetings, the meetings themselves may suffer. Moreover, as described by one of our interviewees whose board rotates the role, "If a hot issue arises between board meetings, the CEO has to call a lot of people rather than just one." Another interviewee, whose board used to rotate leadership of its executive sessions but no longer does, explained that uneven quality often was the result.

Initially, some boards found it awkward to designate one person as the lead or presiding director, but realized later that it made more sense to do so for the sake of continuity. Thermo Electron, for example, was going to rotate presiding director responsibilities among the independent directors on an annual basis but opted not to do so. Likewise, at McGraw-Hill, the presiding director term was set at one year initially; now the board is amending this, most likely, to two years. Says Lorimer, "We knew that the scope and expectations for this role would likely be clarified over time. Therefore, we didn't want to over-regulate or delineate too much — including details on rotation. As a general matter we think it's good to rotate the role. We'll watch to see what best practices emerge, but I bet we'll want to rotate the role every three to five years."

In some circumstances, rotation might be beneficial as a temporary solution — for example, when one independent director really wants the job and the others are not keen on that person. In these cases, rotation offers an alternative to inappropriate jockeying for board leadership positions. For example, when the lead director of a

Fortune 500 technology company retired, the board started rotating the role at each meeting among three committee chairs: governance, compensation and audit. The reason: there was one director who wanted to be lead director and he tended to be a meddler. So the other directors voted for rotation as a gentle way of preventing the meddling.

The most compelling argument we have heard for rotating the role is the opportunity for the CEO to get to know board members better. As one director put it, "The CEO sees this group as his key advisers on tough issues. And for him, it's like getting a performance review after every board meeting." It is not clear, however, that rotating the lead director role is the optimal way of achieving this feedback.

SELECTING THE RIGHT PERSON

What does it take to be effective as a lead or presiding director? Bringing the right mindset to the task is a good place to start, says one lead director. He sees his role as twofold: "To help the company succeed and to help the CEO be a winner. That helps to make it a constructive relationship. If you think your purpose is to second-guess the CEO, then it's a destructive role."

As the primary interface between the CEO and the board, the lead or presiding director ought to be someone who works well with the CEO, understands the top-management perspective and is seen as trustworthy by all. "There's a lot of diplomacy in this role," notes one director. "The person has to care for the spirit of the board. He or she needs to be committed to integrity, loyalty and equanimity. Any board can get flabby, and that's when things float by. You need someone in this role who calls for candor and makes people feel safe about asking the tough and the proverbial 'dumb' questions."

All of our interviewees stressed the need for a full quiver of communication and facilitation skills. "The lead or presiding director must be able to convey reservations and concerns effectively without sugar-coating tough messages," says Kerr.

Fisher agrees: "You have to synthesize people's opinions and make sure the CEO understands, usually without attribution to individuals. And you must be able to separate individual director's hot buttons from issues on which the board is in consensus."

In addition to having backbone and not shying away from saying the difficult things, lead directors consistently underline the need to listen carefully. The lead or presiding director needs to translate any nuanced issues on the board members' minds that have not percolated through in the normal course of business. He or she also should serve as an early alert system, someone who can fill in the blanks as many of the issues do not always surface in regular board meetings.

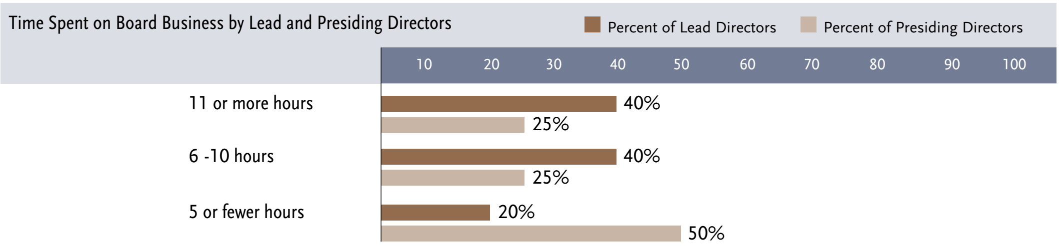
When asked about the potential pitfalls of the role, our interviewees cited the need for objectivity and balance. "When things are not going well," observes one director, "there's a delicate balance between becoming too involved and not being involved or knowledgeable enough. The greater the thirst for information by directors, the harder it is to avoid micromanaging." And the last thing you want, says O'Leary, is someone meddling in management: "The board needs to stay on its half of the hourglass and management on its half."

MAKING IT WORTH THEIR WHILE

Companies continue to grapple with the question of how to compensate lead and presiding directors for the additional time and energy these roles demand. Meeting time and preparation — including planning agendas, communicating with management and other independent directors and other tasks — can take anywhere from a few hours to a week or more per month. And independent directors seem to be meeting more frequently these days. More than 80 percent of our survey respondents say their independent directors convene separately whenever there is a board meeting, about 10 percent meet quarterly and the rest typically gather two or three times a year.

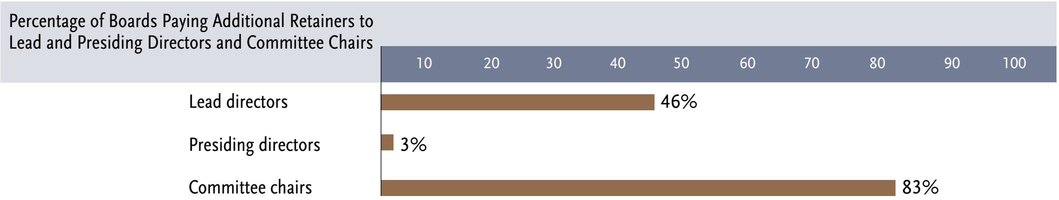
Nearly three-quarters of the lead and presiding directors we surveyed also chair a board committee. Most often, it is the nominating and/or governance committee, which stands to reason given the complementary nature of the responsibilities.

In line with their broader portfolios, as described above, the lead directors in the companies we surveyed tend to spend more time fulfilling their responsibilities than presiding directors. Including meeting time and preparation, about 40 percent of lead directors spend 11 hours or more a month, versus 25 percent of presiding directors; another 40 percent of lead directors spend six to 10 hours, versus 25 percent of presiding directors; and 20 percent of lead directors spend five or fewer hours, versus half of presiding directors.



So what, if anything, are companies doing to make the role worthwhile? Surprisingly, not much. More than half of the S&P 500 companies we surveyed pay no additional compensation to their lead or presiding directors. The role may require upwards of 11 to 20 hours per month above and beyond usual board responsibilities — and much more than that in times of crisis — with no additional compensation.

Among those that do pay extra, cash retainers vary widely, in most cases ranging from $5,000 to $30,000 per year, compared with average committee chair retainers of $8,158. Additional retainers of $10,000 or $20,000 were most commonly cited in proxy statements. Again, perhaps reflecting their different responsibilities and the rotation trends noted above, special compensation is far more common for lead than for presiding directors: 46 percent of lead directors get paid more, versus just 3 percent of presiding directors. Our view is that this situation will correct itself. As experience builds around the time commitment required, we expect compensation for lead and presiding directors to increase.



TAKING STOCK AND LOOKING FORWARD

Now that lead and presiding directors have been in place for a few years, we believe the time is ripe for boards to revisit how they have structured the role and to evaluate how they are doing vis-à-vis emerging best practices.

The question of whether to rotate the role among some or all of the independent directors is not only a sensitive issue, but it also is a critical driver of how much value the role can add. We strongly believe that the benefits of designating a single person for a term of at least one to two years far exceed the drawbacks.

Compensation is another key issue. Serving as lead or presiding director demands a significant commitment of time and energy, and we believe that people in this role should be compensated accordingly. Specifically, we recommend that pay should be equal to that for board committee chairs.

The chart on page 3, which outlines the typical responsibilities of lead and presiding directors, is a good starting point for assessing whether the role has been scoped appropriately. For each board, the relative focus will differ somewhat, but we think the most critical functions in every case are meeting and agenda planning, information vetting and communicating with the chairman/CEO. As more companies recognize the value added by lead and presiding directors, we expect these people to take on broader roles, e.g., becoming more involved in board and director evaluations, dealing with under-performing directors and managing institutional investors.

Best practices for lead and presiding directors

> **Communicating with the CEO:** Give immediate feedback to the CEO following each session of the independent directors. If you have a particularly tough or sensitive message to convey, consider having two independent directors present to ensure that the message gets through clearly.

> **Preparing for board meetings:** Work with the chairman, if appropriate, to develop the agenda and preview background materials before they are sent to all directors.

> **Running executive sessions:** Make sure that everyone contributes to the discussion, that all points of view are considered and that the message for the CEO is clear.

> **Scheduling meetings:** Experiment with a variety of formats, rather than always tacking executive sessions on to the end of board meetings. For example, at least once a year, hold a separate session and dinner the night before the board meeting. Convening the independent directors separate from the board meeting also is a good idea at CEO evaluation time in order to finalize the review and compensation implications.

> **Evaluating directors:** After a written self-evaluation by each director, meet individually with each independent director at least once a year to discuss his or her individual strengths and improvement objectives.

Based on our survey, only a third of S&P 500 boards now conduct formal performance assessments for individual directors. As director evaluations become more common, the lead or presiding director is the natural choice to deliver tough feedback to those who need to step up or be replaced — especially in companies where the chairman and CEO role is combined.

Over time, we also anticipate that lead and presiding directors will play a larger role in dealing with institutional investors, perhaps along the lines of the British corporate governance model. In addition to having a truly independent chairman, U.K. companies also have a senior independent director (SID), whose job it is to work with institutional shareholders and ensure that someone on the board is listening to them. This could be a logical extension of the lead or presiding director role.

Clearly, the lead and presiding director role is one response to pressure from advocates of splitting the chairman and CEO jobs. Most boards seem to be satisfied for the time being with the new structure and the additional independence it has brought to the board.

INTERVIEWEES QUOTED IN THIS ARTICLE

> **George M.C. Fisher,** retired chairman and CEO, Eastman Kodak Company; presiding director and chairman of the directors and corporate governance committee, General Motors Corporation; chairman of the directors and corporate governance committee, Eli Lilly & Company; chairman, PanAmSat Corporation; senior adviser, Kohlberg Kravis Roberts & Company (KKR).

> **Dr. Claire Gaudiani,** professor, New York University; former president of Connecticut College; director and chairman of the governance/nominating committee, MBIA and The Bank of Southern Connecticut; director, Henry Luce Foundation; former director, Southern New England Telephone.

> **Ilene Gordon,** president, Alcan Food Packaging Americas; director and chairman of the governance committee, Arthur J. Gallagher & Company; director and chairman of the human resources committee, United Stationers.

> **Robert "Kam" Kamerschen,** retired chairman and CEO, Advo; presiding director, R.H. Donnelley Corporation; director and committee chair, RadioShack; director, IMS Health; director, MDC Partners; director, Linens 'n Things and Vertrue.

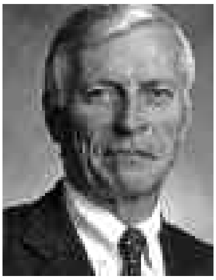
> **William Kerr,** chairman and CEO, Meredith Corporation; former director and chairman of the compensation committee, StorageTek, prior to its acquisition by Sun Microsystems; director, Principal Financial Group and Maytag Corporation.

> **Linda Koch Lorimer,** vice president and secretary, Yale University; presiding director and chairman of the nominating and corporate governance committee, McGraw-Hill Corporation; director, SprintNextel.

> **Robert W. O'Leary,** chairman and former CEO, Valeant Pharmaceuticals International; director and chairman of the nominating/governance committee, Thermo Electron; director, VIASYS Healthcare; director, Smiths Group, PLC.

ABOUT THE AUTHORS

Julie Hembrock Daum is the practice leader for the North American Board Services Practice of Spencer Stuart, the leading executive search firm in the boardroom. She consults with corporate boards on their director recruiting and board and executive succession needs, working with companies of all sizes from the Fortune 10 to pre-IPO companies. Julie has recruited more than 400 directors to corporate boards. Julie also is involved in director education programs with Northwestern's Kellogg School, Wharton, Columbia University and the New York Stock Exchange. She is a frequent writer and speaker on governance topics. She recently has been quoted in *The New York Times*, *Financial Times*, *BusinessWeek*, *Time* magazine and *The Wall Street Journal*. Prior to joining Spencer Stuart, Julie was the executive director of the Corporate Board Resource at Catalyst. She managed all board of directors' activities and worked with companies to identify qualified women for their boards. After graduating with an M.B.A. in corporate finance from The Wharton School at the University of Pennsylvania, Julie began her career as a consultant with McKinsey & Company in Los Angeles.



Thomas J. Neff, chairman of Spencer Stuart U.S. and a member of the firm's worldwide board of directors, is based in New York and has been with the firm since 1976. He managed the worldwide firm from 1979 to 1987. His consulting practice focuses on CEO and other top-level recruiting, board of director consulting and searches and succession counseling. He has conducted more than 100 CEO and more than 300 board searches. He founded the Board Services Practice in the U.S., as well as the firm's U.S. advisory board of prominent CEOs. He previously served as leader of the firm's Professional Practices Committee for 10 years.

Prior to joining Spencer Stuart, he was a principal with Booz Allen & Hamilton. Previously, he was the CEO of an information systems company and held a senior marketing position with TWA. Earlier, he was a management consultant with McKinsey & Company in New York and Australia. He serves on the board of directors of ACE Limited (NYSE), a Bermuda-based insurance company; Hewitt Associates (NYSE), an HR consulting and outsourcing company; and the Lord Abbett mutual funds with assets of approximately $100 billion. He previously served on the board of Macmillan and Exult until they were acquired. He also serves as a trustee emeritus of Lafayette College and previously served as chairman of the board of the Brunswick School.

Tom is co-author of *Lessons from the Top — The Search for America's Best Business Leaders*, published by Doubleday in August 1999. His new book, *You're in Charge — Now What?*, was published by Crown Business in January 2005.

Tom has an M.B.A. from Lehigh University, a B.S. degree in industrial engineering from Lafayette College, and served as an officer and aide de camp in the U.S. Army.

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