

to try *those* things, or I'd like to do *these* things.' I could do anything as long as my original job was being done." Though the core never changed, Heather's job looked a little different with each project. In 2000, she dealt with approximately a dozen programs; in later years nearly all of LFI's programs were highly customized. Heather stated:

After the tech crash, my job became more complicated. No two programs looked the same; everything was tailored. Even our stock programs were customized. It added a ton of work for me. By 2004, my job involved so much because of customization that I definitely felt there needed to be two of me. There were two levels to my work. One was the printing and shopping and organizing. Those were my days where I could take a mental break; I could wear my jeans and sit on the floor. There was another level of coordination, dealing with the client facilities and support staff. And then there were the days I was at the programs—sometimes there were three or four programs going on in a week and I would send one off but I wouldn't get to go to it because I was going to another program. One of the things we were remiss about is that I couldn't be at every program to get all the feedback, because you learn something from each debrief.

Heather's learning came primarily from Julia and Allison; she and Dick didn't have a close relationship. He continued to work out of his other

office and go in once a week for the company meeting. From Heather's view, "I didn't know Dick as well as I did Julia and Allison; he wasn't around as much as they. They were in my daily life."

Even though he wasn't on-site much, Dick felt a strong connection to LFI and its employees. He occasionally indicated to them that he "desired to capture the tacit knowledge that each person had built through their experience on the job." However, it was not "in his nature" to sit down and document his job and procedures; therefore he never pushed others to do so either. At times he would comment that LFI needed to document a procedure so that the next time they would have a checklist of what to do. "It wasn't that we didn't want to do it, but other things were always higher priority, like dealing with clients or getting a new project."

UNCERTAIN FUTURE OF LFI

In 2002, Dave decided to move west, and LFI did not replace him. By then, Julia was focused on LFI's top-level operational issues and her clients. Allison fielded incoming calls from potential clients and managed daily operations. Julia said, "Though I was sad to see Dave go, I knew that [his salary] would be better allocated elsewhere. We needed someone selling more aggressively."

The firm was doing well but needed to maintain sales. Up to that point, most employees stayed with LFI for two to five years. Turnover averaged one employee a year. Dick and Julia remained and provided stability as new people came aboard

and others left (refer to **Appendix 3** for LFI's employee tenure).

Signs of major changes appeared at the end of 2003. LFI had to develop relationships with new facilitators, as its primary external facilitator was unavailable while she had her second child. In December, Allison also announced she was pregnant. A few months later, Heather found out she had been accepted into a degree program that started in the fall of 2004 so she planned to leave LFI that summer. For Julia, the year 2004 would be her tenth anniversary, and she spoke with renewed interest about leaving to start her own company and working for LFI only on a contract basis.

And around this time, Dick underwent a transformation and engaged in a lot of personal reflection as a result of his father's death. Allison observed that, "Dick did a lot of soul searching and concluded that he needed to have a drastically different role within LFI. He told us that he and the company were in a transition phase, but it was unclear what that meant." He didn't mention he had thought about increasing his involvement on-site.

Dick reflected, "I did a lot of thinking, and had a lot of conversations with people outside LFI who had very rich points of view. I reached out to seven different high level executives and consultants, some in this industry, some in related businesses, and some whose opinion I just respect." One of these individuals was Dick's longtime friend, Court, who reviewed profit and loss statements, asked questions about LFI's structure, assessed how

things were run and the challenges Dick faced. After helping Dick think through all these, Court pointed out that the future of the company and who should be hired were decisions that were ultimately Dick's responsibility to make—but they all hinged on what Dick wanted the scope and focus of his own role to be and how he wanted to structure the company.

The outcomes of these conversations had not been shared with the employees. According to Allison, in early 2004 "Julia, Heather, and I were trying to create a plan that would allow us to phase out and not disrupt the company. We were definitely struggling with who we should hire and what they would be responsible for ... there was a fair amount of confusion about whether or not we were looking to recreate the model that already existed [hire new people to take on the existing roles] or we were breaking that model and starting all over again." Their conversations revolved around what the skill sets of new hires should look like and whether job descriptions reflected not just responsibilities but the LFI's culture, too.

They focused first on replacing Heather. Allison explained, "There always needs to be a program manager and it was pretty clear what the program manager needed to do. And regardless of what happened with the direction of the company, that job was pretty clear." They debated filling the "Heather of 2000" role or the "Heather of 2004" role,

the latter reflecting the more complex job that had developed around her skills and interests as well as the additional tasks she had become responsible for over the four years. Her job in 2004 was "meatier" than what it was in 2000, so it required a more experienced person, thus a higher salary. Allison and Heather interviewed candidates, many young, recent graduates with the skill level of Heather when she was initially hired. They were good with logistics and excited to shop, pack, and coordinate program materials. Some interviewees were a closer match for the "Heather of 2004" role. Heather observed that the process was interesting, "because we described the job and company, and then said, 'but nothing is going to look like this when you are here. And here we are, two people interviewing you who, by the way, won't be here when you are here.'"

By May 2004, LFI had hired no replacements. Julia had left in April and the stress was increasing. Allison's due date approached, and she was expected to leave by July. Heather would go to school in August. As Allison contemplated the situation, "I had a clear idea of what my job description was and what role needed to be filled. I created a long list of all the tasks that needed to be attended to for the general operations of LFI, ranging from client relationships, IT, marketing, finances, office management—a very long spreadsheet, incredibly

detailed—and regardless of who does it, *this stuff needs to get done.*"

Yet while Heather and Allison sought their replacements, Dick continued to work on a new company vision and his role within it. The decisions that would come out of the new vision would influence the roles that LFI needed and the responsibilities assigned to each. He even considered different business models, such as doing away with all employees and instead using a Web site to broker matches between clients and outside facilitators.

One thing was clear, though—if he kept the firm, he would do so without other investors. This self-funding limitation meant a fixed budget for salaries and benefits. If revenues remained the same, LFI could support four employees in addition to Dick. Although he always held the financial risks as an owner, his role in the firm had been limited to only those tasks that he wanted to do—mostly the creative work and handling the larger client accounts. He hadn't overseen the daily operations. "If the computers broke, somebody else dealt with it. If there was a bunch of stuff to load into a truck, I wasn't there." Dick now had a decision to make. Thinking through all this was taking time, though, and there wasn't much of that left. Julia was gone and the only other two employees would be out the door sooner rather than later. Dick realized it was time to decide the future of LFI and his job as well.

NOTE

1. "2005 Industry Report," *Training Magazine*, (December 2005), 14–28.

APPENDIX 1: OVERVIEW OF PROGRAMS OFFERED BY LEAPFROG INNOVATIONS, INC.

I. CORPORATE CULTURE BUILDING

Focus: Provide a foundation by which team members can build relationships. Create shared experiences that encourage bonding by teams.

Experience: Fun, dynamic, fast-moving.

Example: The Mad, Mad, Mad, Mad Hunt™

needs and teambuilding skills of a client firm.

Experience: Complex problems that require collaborative work, team leadership, strategic thinking.

Actual team and leader behaviors are focus of the debrief session.

Example: Novotran™

decision-making, meeting management).

Experience: Intensive interaction with clients to develop program and tailor follow-up consulting. After the program ended, intensive meetings were held to ensure the changes and their implementation were successful.

Example: Total Team Performance Solutions™

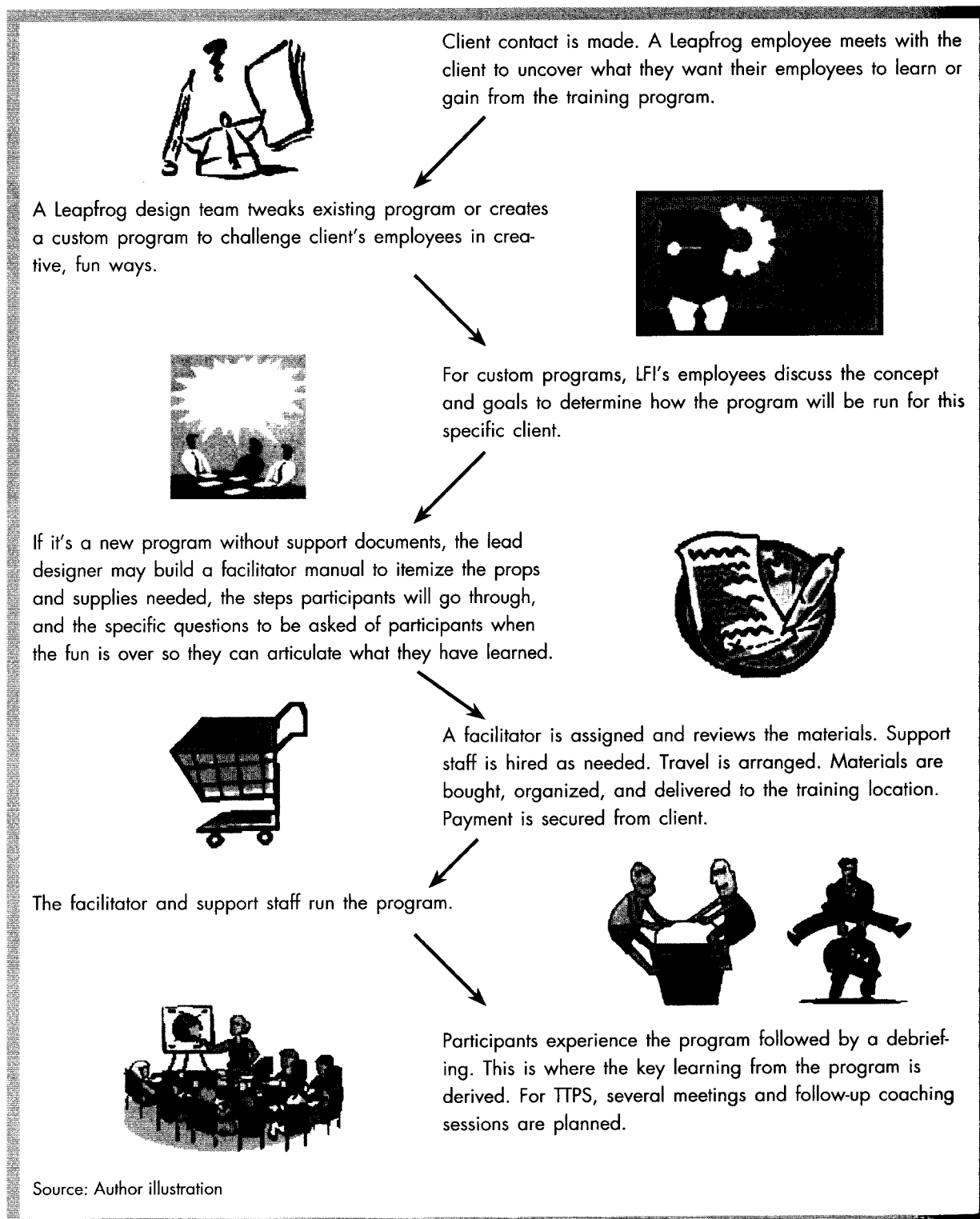
II. LEADERSHIP DEVELOPMENT SIMULATIONS

Focus: Experiential learning designed to meet the leadership development

III. MULTI-PHASED, IMPROVEMENT INITIATIVES

Focus: Long-term change in soft skill development for teams and leaders (e.g., communication,

APPENDIX 2: LEAPFROG'S SERVICE MODEL



APPENDIX 3: FULL-TIME EMPLOYEE TENURE AT LEAPFROG

Employee	Primary focus	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Dick	sales/creative	x	x	x	x	x	x	x	x	x	x	x	x
Julia	sales/operations/ lead facilitator	x	x	x	x	x	x	x	x	x	x	X	
Steve	logistics		x	x	x								
Heidi	logistics					x	x						
Chris	logistics							x					
Heather	logistics								x	x	x	X	
Matt	sales		x	x	x	x							
Dave	sales					x	x	x	x	x			
Allison	operations/sales							x	x	x	x	X	

Notes:

x indicates employment at LFI

X indicates employee announcement of planned resignation from the firm during 2004