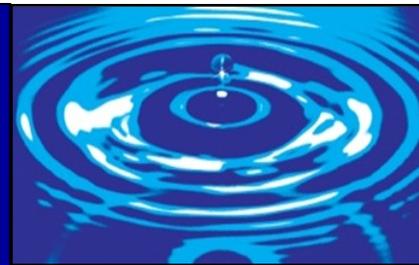


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Countering the Emotions of Change

Investment Banking

- Mergers & Acquisitions
- Restructurings
- Workouts
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- Value Enhancement

Change is never easy, but it is often necessary. Change can be disruptive and unsettling when the outcome is uncertain.

Companies that do not adapt and change are doomed to stagnation and often failure; especially when a turnaround is involved. Developing and implementing change is the job of the management, but it requires “buy-in” from every corner of the company.

The enemy of effective change is ambiguity. Objectives and outcomes need to be made clear to everyone involved. Without clarity, resistance to change is often strong and emotional. Here are some ways to counter the emotions of change:

Communicate a clear vision of where the company is going, and why.

Encourage ownership of the process by soliciting input from all involved.

Deliver a consistent message that the need for change is not going to go away. Communicate this message with honesty as to why.

Communicate that change is not optional.

Do not confuse activity with achievement. Reinforce the idea that results are required.

Hold management accountable for the results. Do not abdicate the role of leadership.

Avoid distractions from the process and stay committed, or employees will view this as just another phase that will pass if they resist.

Measure and reward performance to keep the change moving in the right direction.

Create a “pro-change” culture and reward innovation and risk taking.

Be aware of the “pockets of power” within the company and make use of them to initiate change rather than allowing them to work at cross-purposes for their own agenda.

Give everyone a chance to change, but don't let push-back and entrenchment derail the effort. Don't be afraid to make personnel changes when necessary.

Listen to new ideas and suggestions. Always ask why they believe

Encourage ownership of the process.

Do not confuse activity with achievement.

Create a pro-change culture.

Celebrate success.

It would be better for the company.

Celebrate success. Make an effort to recognize those who contribute and the difference change is making.

Deal with the “people issues” early. Those who refuse to embrace change will make your job more difficult in the long run.

In today's business realities, change is more important than ever, and the pace of change will continue to accelerate. Start creating a culture of change in your company now.

Management Advisory

- Corporate Leadership
- Turnaround Management
- Exit Planning
- Succession Planning
- Strategic Planning
- Interim Management

Planning for Change

Lazarus Real Estate Advisors, Inc.

- REO asset Management
- Distressed Asset business plans
- Debt and Equity Financing
- Loan Workouts
- Restructurings
- 1031 Exchanges
- Syndications
- Business Brokerage

Planning for change is an important part of the process. How you plan to communicate change is crucial to the success of any initiative.

Lazarus Resources was recently retained to assist the management of a manufacturing company in developing a plan for corporate renewal. This involved both an operational turnaround plan and a strategic plan for the future growth of the company.

As part of our assignment, we oversaw the gathering of the necessary data and analysis of

the situation. We guided the owners through the process of asking the right questions and planning the method of communicating with the employees, lenders, and other involved parties.

We worked with the employees to encourage them to contribute ideas and suggestions for change, and provided guidance as to the most realistic outcomes. We ultimately created the final plans, along with measurements and milestones for monitoring progress. We are now working with the client to implement the changes, which are already having a positive effect on the profitability and value of the company.

For more information about improving the performance, and therefore the value of your company, contact **Lazarus Resources Group** today.