strategic plan

2000 - 2005

Goals:

"Effort and courage

are not enough

without goals

and directions."

ANONYMOUS

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Greenhorne & O'Mara, Inc.
9001 Edmonston Road
Greenbelt, Maryland 20770

president's letter

March 30, 2000

Dear G&O Employees:

After completing a critical examination of our organization, we have developed a corporate governance model built upon the concept of *partnership* at all levels. This is coupled with a strategic plan focused on achieving consistently profitable operations while undergoing steady growth.

We aim to be a seamless organization in which the overall goals of the firm are paramount; to be focused on those areas where our capabilities and performance are second to none; to be immersed in a positive, mutually supportive environment; and to generate the confidence and pride that derive from delivering well-managed quality projects.

As we embark on the next 50 years of our firm's history, please join with your fellow employee owners in the drive to ensure that our best years are yet to come.

Sincerely,

John J. Healey, Ph.D., P.E.
President

evolution of the strategic plan

Key responsibilities of corporate leadership are to envision the future and to develop plans that allow the company to thrive and prosper in that future. Strategic planning requires a self-assessment; an examination of internal strengths and weaknesses; an evaluation of external competition and opportunities; and, most importantly, preparation for the future. This plan is the result of these assessments, and it provides a description of key strategic goals and actions we are committed to taking as a company during the next several years.

evolution of the strategic plan

This strategic plan has been developed through a series of workshops and discussions with a broad cross-section of personnel at all levels within G&O. The process began in late 1999 and finished in March 2000. The approach taken has been to develop a readable, friendly document that describes a straightforward and achievable plan. This plan addresses issues that are key to our future success.

After a comprehensive internal analysis and review of marketplace trends, we have developed a revitalized focus on the future. This includes a corporate governance model based on partnership and shared leadership, core values to help guide us throughout the execution of the plan, and a group of strategic goals and related actions that we believe are critical to reaching our objectives.

This document calls for detailed, annually updated business strategies and integrated functional strategies *(see page 21)*. Under the leadership of the President and the Executive Council, these plans will provide the "blueprint" for the implementation of this strategic plan.

"It's easy to spot commitment when you see it... and even easier when you don't."

KEN BLANCHARD

where we're going - the future

The clear direction for our company's future is that **we will be widely known as a prestigious and highly respected, employee-owned consulting engineering firm; recognized by our clients for outstanding management of projects; respected by our competitors; and held in high esteem by current and potential staff members.**

In order to be successful against our diverse array of competitors, we will project the strong visible image, extensive corporate resources, and strength of a national firm. We will also display in-depth expertise in our specific markets and the responsiveness of a specialty or local firm.

where we're going - the future

Profit is essential to our success! It fuels innovation and the incorporation of new technology, and provides for high quality personnel and facilities, enhanced training and funds for strategic growth initiatives. In addition, profit provides shareholder value, funds employee compensation, and adds value to the Employee Stock Ownership Plan. The financial targets included as part of this plan are realistic, based on standards for our industry, and achieving them will sustain G&O as a continuing and highly successful business entity.

our core values

To lay a foundation for consistent performance as a business, we have identified the following five core values. These embody our ideals for working together and relating to our clients.

1. Work with passion, commitment, and enthusiasm, yet keep it fun. We value a job well done and are committed to our clients' success.

2. Have a collegial, client-friendly environment where we support one another; we are more like a partnership than a corporation.

3. Give no one any reason to question our ethics or integrity.

4. Do excellent work and be known throughout our markets for our creativity and innovativeness. We never rest on our laurels; we expect continuous improvement in all that we do – in ideas, in quality, and in client satisfaction.

5. Profit and growth are necessary means and measures of our success and make all of our other values and objectives possible.

"I find the important thing in life is not where we are but in what direction we are moving."

OLIVER WENDELL HOLMES

how we will get there

STRATEGIC GOALS

Recognizing the wisdom in achieving more by doing fewer things well, our new focus is expressed in terms of seven strategic goals for success. We are committed to achieving these goals with clear action plans and with strong advocates assigned to assure accomplishment.

STRATEGIC GOAL A – We will run the company as a strong, employee-owned, growing, and profitable business entity.

1 The Board of Directors will allocate profits in order to sustain G&O as an employee-owned business entity. This will include contributions to retained earnings, employee compensation and benefit plans, and strategic investments.

2 Management will provide leadership and bring focus and accountability for meeting financial goals. This will be accomplished through education, training, discipline, and emphasizing a business-oriented culture throughout the company.

3 The President and the Executive Council will conduct ongoing reviews of operations and provide specific near-term recommendations for sustaining profitability and integrity of service.

This will include performance measures and threshold criteria for engaging the need for

1

2

3

how we will get there

4 A Task Team will be charged with aligning and enhancing our financial reporting systems such that they are dependable, consistent, user-friendly and fully compatible with running profitable projects.

STRATEGIC GOAL C – Develop a culture of strong client relationships as a founding principle for marketing our services.

1 We will reinforce a corporate culture of strong client relationships by virtue of bringing value to their projects through our professionalism, creativity, responsiveness, commitment, and integrity.

2 Senior management will increase their personal involvement with clients. Performance criteria will include client contact, communication, and feedback as key elements. Senior management will lead by example and set a standard for interfacing with clients.

3 We will be active in both professional and community circles through professional service and public involvement activities.

STRATEGIC GOAL D – Embrace the strategic application of technology and innovation to differentiate us from our competition and enhance profitability.

1 We will create and foster a culture that utilizes innovation and technology to enhance our competitive advantage.

2 In order to develop corporate-wide input to this effort, a Strategic Technology Task Force consisting of operations managers, technical representatives, and others has been formed. The Task Force will continuously explore the most effective and cost efficient means to integrate technology and innovations to strategically benefit the company.

3 Champions will lead the widespread implementation of new technologies and processes. They will be expected to accelerate the implementation process by providing strategic focus, enthusiasm, and emphasis.

how we will get there

how we will get there

STRATEGIC GOAL E – Create an organization that is seamless, synergistic, and focused on our clients' needs.

1

Internal cross-market coordination and collaboration will become a hallmark of our corporate environment. We will become a seamless organization. Cooperation, information sharing, and mutual support among all units will become our standard operating procedure and will be recognized and rewarded.

2

A cross-market team-building program will be developed and conducted as a series of workshops. The program will be a part of our manager orientation program and project manager training. Our electronic systems will enhance communication among units.

3

An integrated corporate identity will be developed for external marketing of our services. This will be accomplished through communication pieces that will be developed to reflect both our internal teamwork and our client partnering.

STRATEGIC GOAL F – Build a corporate environment where our employees are recognized as Greenhorne & O'Mara, Inc.

1

Continue to commit to retain current employees and to attract the best employees by rewarding them with a friendly, professionally challenging work environment. We will provide for professional development through continuing concentration on education support and training.

2

We will reinforce a high level of "Esprit de Corps" and quality of work life by establishing a work environment in which we treat each other as partners. As a profit-sustaining company, we will provide the necessary tools, the means for reward and, most importantly, the corporate pride that comes with professional success.

3

Communicate the pathways to ownership, including stock purchase plans, other employee benefit plans, and the positive impact of profit on those plans. We are proud to be an employee-owned company.

4

Since a key issue in today's dual career families is alternative work-production environments, we will investigate and implement, as warranted and applicable, such programs as telecommuting and flexible work schedules.

how we will get there

2

3

"One person with passion

can do more

than 1,000 who are

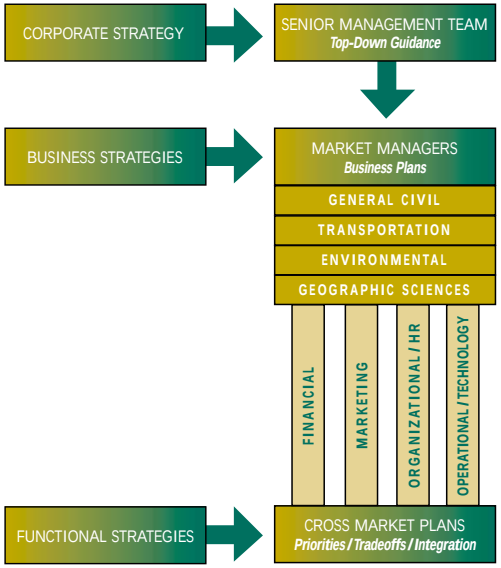
merely interested."

AUTHOR UNKNOWN

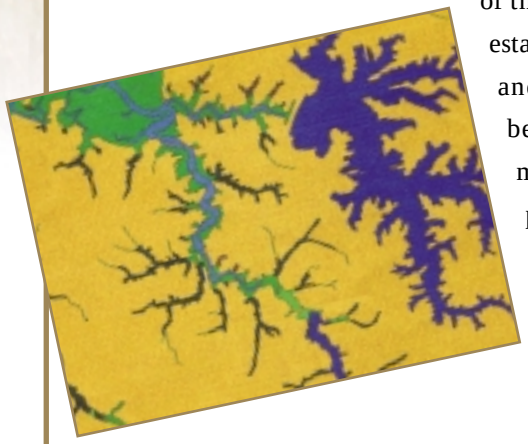
what's ahead for us

G&O's strategic planning is a dynamic process. It starts with formulating the corporate strategy, which is summarized in this document. The emphasis of this strategic plan is top-down guidance for the company. Our four market areas (General Civil, Transportation, Environmental, and Geographic Sciences) will develop individual annual business plans.

LEVELS OF STRATEGY DEVELOPMENT AND INTEGRATION



The four market business plans are evaluated and integrated through four functional plans: financial, marketing, organizational / human resources, and operational / technology innovation. The primary focus of these plans is to establish priorities and tradeoffs between the four markets and to provide integration across the various operations of G&O.



CHAIRMAN'S COMMENTS

This plan sets the stage for our success in the new millennium. I am pleased by the renewed enthusiasm spreading throughout the company. Please join me in moving forward with this plan.

A. James O'Mara, P.E., P.L.S.
Chairman

what's ahead for us

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