



RICOH ELECTRONICS, INC.
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January 25, 2001

Mr. Tracy Skousen
Executive Vice President
Partners in Leadership

Dear Tracy:

Thank you so much for the help you have provided to the leadership team at Ricoh Electronics. As you know, over the last year and a half we have been implementing a new performance management system. One of the main objectives of this system is to clarify accountability for achieving specific objectives. The system had been effective in cascading objectives down to individuals, but something was missing. Of course, that something was the Oz Principle Accountability training.

We have already started to see results since the two days of training you presented for our senior managers:

- All senior management have accountability action plans. These plans were submitted directly to the President, and he is holding follow-up meetings with them to check progress and exchange thoughts on how the accountability principles can be applied throughout the organization.
- We are beginning to see a common language around accountability—below/above the line, see it, own it, etc.
- We are rolling out training to the next level managers in February, and the next level down this summer.

I believe that the principles in the training will be a key part of performance management at Ricoh Electronics. Clearly, without a strong culture of personal accountability, the performance system will not work.

Thank you, too, for taking time to learn about our company and the issues we face. This established a great deal of credibility with the leadership team, and made the sessions much more impactful. The evaluations from the group were the highest we have ever received.

I look forward to working with you in the future.

Sincerely,

Richard A. Walsh
Division Manager
Strategic Planning