



Cordoba Corporation (A)

As George Pla walked to the traditional 7:30 Monday morning gathering of Cordoba Corporation's executive committee, he reflected on how much had changed in the last three months. After long consideration, he had recently appointed Maria Mehranian to the newly created position of chief operating officer (COO) of the \$7.2 million Los Angeles-based consulting firm. Pla was confident in her abilities, as they had worked together closely since he had founded the firm ten years earlier. Pla knew, however, that Mehranian faced a daunting task. While most people in the firm recognized the need for change due to the firm's growing size, Mehranian's appointment had surprised many people and reactions were mixed.

Maria Mehranian also had concerns about her new position. Most importantly, she struggled with what her role should be as COO. Pla created the position because the firm's growing size was making it impossible for him to be personally involved in every project. It was clear to everyone that at least some formal management systems and practices were needed. Mehranian also recognized the need, but she wondered how she could establish systems without weakening Cordoba's unique entrepreneurial culture.

Mehranian sensed that an equally daunting challenge would be to develop effective working relationships with Cordoba's other managers. Formerly a division vice president, Mehranian knew firsthand the importance people attached to their working relationship with Pla, the firm's founder. Many had joined the firm because of the opportunity to work with him. People were concerned that their contact with Pla might be limited. For her to succeed as COO, she knew that both Pla and the other managers would have to change how they worked together, but she was not yet sure in what ways.

Company Overview

George L. Pla founded Cordoba Corporation in 1983 as a single office economic planning and consulting firm dedicated to participating in community projects in the Los Angeles area. As a privately held company with all equity stakes controlled by the founder, an Hispanic American, the firm qualified as a minority-owned business. The company's revenues had grown

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an average of 60% per annum since its inception, and in 1993, had revenues of over \$7 million (see Exhibit 1). Cordoba's financial situation remained stable, with positive cash flow and minimal debt, allowing the company to expand adaptively in the fast-paced consulting industry.

The firm had experienced three distinct phases of growth. For its first six years, it operated with five to ten people in a single Los Angeles office. Mehranian recalled, "It was a small, closely managed business—lots of hard work, but very exciting and fun." In 1988, Cordoba won a major state contract that tripled the size of the firm. During this phase, the firm began developing more administrative systems. Organizational procedures, however, remained fairly informal, with Pla deeply involved in day-to-day operations. Pla hired all staff, determined pay raises, negotiated most contracts, and ran staff meetings. The top team at the firm believed that 1993 was the beginning of a new phase. Multiple, large projects were on the horizon and, if won, they would again double Cordoba's size—now from 90 to 180 full-time employees.

Cordoba offered consulting services to the public and private sectors in a variety of areas, including urban planning, computer system development, and construction management. Most of Cordoba's revenues—over 70%—came from the public sector through competitive-bid local and state government contracts. In about half the projects, Cordoba served as a sub-contractor to a prime vendor bidding for a contract.

Strong relationships with contracting agencies and with competitors—often potential partners on projects—were critical success factors for Cordoba. Pla described the importance of these contacts:

In the service business, it's all about relationships. Companies that go through the whole "Request for Proposal" process and expect to be selected on the merits of their proposal really don't understand the business. Companies and government clients need to want to work with you. Any one of the finalists in a competitive bid can do the work. There has to be something more.

Pla's background and experience had enabled him to develop a wide network of ties with business and political leaders in California. Indeed, Cordoba was built in large part through Pla's skillful use of his network of relationships to learn of business opportunities and obtain work. In addition, Pla developed a good understanding of public policy issues and needs.

Many clients and competitors felt that Cordoba was only a name on the door, but that it was Pla himself who symbolized and carried the firm. One longtime client said: "Sometimes I confuse the names. When I say 'George Pla,' I usually mean Cordoba and vice versa. George is the firm, and the firm is George." A direct competitor described Cordoba as "a great firm. However, it is George's political connections and relationship management that has propelled the firm toward success. Take away George and Cordoba will cease to be."

George Pla, Founder

Pla described his background:

Part of it sounds fairly corny but it is not novel in the United States today. I'm an immigrant from Mexico and came to America and truly saw opportunity. My parents gave me the basic building blocks of hard work. I was also fortunate

enough to work through school and college and that put me in an environment that allowed me to succeed.

Pla pointed to his past experience in government and politics as a major influence on his decision to start Cordoba.

It's typical for members of the minority community to start work in either labor unions or government, because that's the easiest to access. Thus, I started work for the County of Los Angeles as the deputy director of housing at the age of 25. That gave me an opportunity to work in government and the real estate and financial community. I then worked for a non-profit community development corporation. There, I learned the art of grantsmanship. After that, I moved on to a prominent state government position when California Governor Jerry Brown appointed me to be director of Small Business and then the chief deputy of the Department of Commerce. I was only 28 at the time, and this gave me a tremendous experience in public policy in a state that is the sixth largest economy in the world.

I was then fortunate enough to get involved in running political campaigns which I think are a microcosm of life, especially a business. You are being attacked, you are attacking, you are organizing a campaign and then you win or lose. And, it's like that in life—to what extent can you keep your focus, stay with the program, not be diverted, and see a goal to its conclusion. It's a tremendous lesson.

During my time in government, I had the opportunity to hire many professional consultants. And I found that the Arthur Andersons, Peat Marwicks, etc. were very large, cumbersome and expensive. I didn't always get what I wanted when I hired them. There's a lot of baiting and switching going on. A principal would present the offer to me and then get someone else to do the work. I made an effort to hire a lot of small firms, minority firms that often didn't have staying power or the resources to give me the work I wanted or, unfortunately, they didn't have the expertise.

I saw that there was an opportunity in the middle market. I could provide a consulting service at an affordable price and give the client what they wanted. Real corny, real basic, but I thought it was a better mousetrap. Senior personnel, no baiting and switching, and the principal always meeting with the client. Thus, I started Cordoba in 1983. I know every single client we have—about 150 throughout California. I also know when there are problems immediately.

Pla was recognized as a business and civic leader throughout California. He had been regularly cited as one of the "Top 100 Hispanic Influentials" in the country according to *Hispanic Business* magazine. In 1991, he was named "Entrepreneur of the Year" by Ernst & Young, Inc. magazine, and the *Los Angeles Business Journal*. He served on numerous Los Angeles educational and civic boards, and was a regular speaker and presenter for Los Angeles business and political events. Pla also sat on the executive fundraising board for the 1992 Clinton campaign and participated as overseer of the Democratic Party Convention site commission.

Cordoba's status as a minority-owned business was helpful in obtaining government work, as by law some portion of government contracts must be devoted to minority-owned businesses. Beyond that, Pla viewed Cordoba's standing as a minority-owned business as an important strategic asset:

Now that we have a critical mass and a track record, the fact that we're minority-owned is truly value-added. People say wow! What has happened in the last few years, is that government and private clients want a minority-owned firm that understands the market and what's going on. It has to do with markets, demographics and changing politics. Here the majority of our employees are ethnic minorities and all have a unique perspective and bring their own unique experience in providing a service to the client.¹

For example, when the Downtown Strategic Plan Advisory Committee hired us to make Los Angeles a 24-hour city, we competed with 60 national companies, yet they chose Cordoba on the strength of our understanding of the diverse nature of the City of Los Angeles. When we were selected to oversee the rebuilding of Los Angeles—the demolition and clean-up of the area hit by the riots—it wasn't just hiring a minority firm because it was a minority riot. It was hiring a company that understands the issues. It boggles everyone's mind that a small firm like Cordoba could win a \$22 million dollar contract.

Cordoba's involvement in these issues emanated from Pla's vision of what he wanted Cordoba to be. Pla pointed out, "From the beginning, Cordoba has been a part of various community activities. From the future planning of downtown Los Angeles' growth and the revitalization of deteriorating neighborhoods to providing invaluable technical assistance with computer systems and construction management, we have proven that profit and community goodwill are not incompatible."

Cordoba's Organization and Culture

Over the previous ten years, Cordoba had grown into a diversified consulting firm composed of three separate but interactive divisions: Planning, Systems, and Development. Each division was headed by a vice president who reported directly to Pla. While the three vice presidents collaborated on many projects, each division was treated as a separate profit-center.

Organizational Structure and Key Staff

Cordoba Planning Division (CPD) specialized in local and regional urban planning, specifically in the areas of transportation planning, environmental impact documentation and economic development programs. It practiced standard urban planning strategies and principles, incorporated the most recent planning tools, such as geographic information systems, and remained competitive with other local specialty planning firms. The planning staff consisted of policy experts with Master degrees in the fields of urban planning, public policy, business

1. The demographic mix of Cordoba's staff in 1993 was as follows: 7% Asian, 12% African-American, 30% Caucasian, 47% Hispanic, and 4% other.

administration, and engineering. (Exhibit 2 provides brief descriptions of a project undertaken by each division.)

The CPD's expertise was Cordoba's original competitive strength and laid the foundation for entering into the consulting field as a new start-up in 1983. Since its inception, the division was headed by Maria Mehranian, a professionally trained urban planner. Mehranian joined Cordoba straight out of graduate school and quickly established herself as Pla's top confidant. Mehranian was a very "hands on" manager and considered herself a "practitioner" more than a manager. Now that Mehranian had been promoted to COO, she had been replaced by Genoveva Arellano, a graduate of the Kennedy School of Government at Harvard. (Exhibit 3 presents brief descriptions of Cordoba's top management team.)

Cordoba Systems Division (CSD) was created in 1989 to design and install management information systems, implement comprehensive system conversions, and design state-of-the-art hardware and software configurations. The primary purpose of CSD was to take advantage of the information technology trend of the 1990s and position Cordoba for growth in the future. On some projects, CSD—with its capabilities in project management systems—supported the other divisions. CSD was also responsible for developing and managing Cordoba's internal MIS. The division had incurred losses in each year of operation. CSD was headed by Irving Hoffman, a former systems consultant analyst who had worked for many years with Booz, Allen & Hamilton. Hoffman who was 53 years old, had been moved into the vice president role in early 1991 after working in the division for three years.

Cordoba Development Division (CDD) provided a wide variety of services to clients in construction management and program management. Construction management services included engineering design, cost control systems and contract administration for major construction projects. For example, CDD recently assumed the primary role in the clean-up of the Los Angeles riots aftermath, a \$22 million contract. The program management services offered management and operations consulting. For example, CDD was awarded the contract to operate the California Public Utilities Commission Statewide Clearinghouse for the certification of minority-owned businesses, a multi-million contract annually. CDD had historically brought in the most stable and profitable cash flow of the three divisions. CDD was headed by Daniel Telles, who had worked at Cordoba since shortly after its inception. Telles, 34 years old, was CDD's first vice president and continued to serve in that role.

Cordoba had established three *regional offices* throughout California and was in the process of adding two more. Each office was headed by a regional manager who, until the creation of the COO position, reported directly to Pla. The regional managers also reported to the division vice president for projects in their domain. Offices outside of Los Angeles, although growing quite rapidly, were still relatively small (Sacramento had 1 person, San Diego 6, and San Francisco 10). The work in these offices involved supporting projects developed in the Los Angeles office, as well as work developed around each office. The Sacramento office was established specifically to access visibility with California state government. Pla always envisioned that Cordoba would become a medium-sized or large company with multiple offices.

A lot of people that hang a shingle and get started by themselves don't believe or don't set out to be a large organization. We always did from day one and we think that was an important element because it meant there was a long-range plan. It meant that you were going to invest and reinvest all the resources you

had. It meant that you were going to sacrifice profits for a long time, and we certainly have done that over the past ten years.

The *Administration and Finance* department was run by vice president, Sam Maynez. His efforts to implement formal guidelines, financial controls, and personnel procedures were met with some resistance by the other vice presidents. One vice president stated: "We are all specialists. Nobody understands my division better than me, so why try to pretend that we can all work together under some similar reporting structure. As long as George gets the information and is able to allocate the resources, I will continue to go to him directly."

Cordoba's Culture

Cordoba's culture reflected Pla's management philosophy. The firm had no formal organization chart; Pla operated on the premise that a flat decentralized model of communication allowed the company to react quickly to opportunities and gave individuals the ability to pursue new projects. The Monday morning staff meeting was designed for senior managers, although it was not uncommon for other staff to attend. Everyone attended quarterly breakfast meetings in a downtown hotel where Pla gave a "state of the company address," or a prominent speaker was invited to address a significant public policy issue. Big company "events" were held twice a year. According to one manager, "These events remind us that we're going places with this company and that everyone is in it together."

Pla described his role as CEO in shaping the culture:

I used to wonder, before Cordoba, if the person at the top makes a difference, whether its a coach, CEO, or President of the United States. I wondered whether you have organizations that are so massive that the person at the top doesn't make any difference. Today, I no longer wonder about that. Leaders absolutely affect the style and the way people operate within a company.

I believe that most people don't achieve their full potential in their lifetime. I believe that people have a lot to give, but that a lot of management structures are developed in a way that keep them from giving what they have. If people are truly involved and they truly understand what the mission is, you will get far more work from them. We absolutely practice that philosophy.

People love to be a part of an overall effort. I guess I'm like the drill sergeant that you love and hate because he's training you and getting you ready for battle. I'd say that my style is inclusion and also pushing them to levels that they didn't know they could achieve, but I think they can. And it's that faith that gets them to buy in and be a part of this. So you're constantly bringing them in and getting them to buy-in. You see, as CEO, you are a politician and they are your constituency. Unfortunately, it's still at a level where people are saying it's because of George that I'm doing this, so it's still a little too personal and I'm trying to convert that to Cordoba.

Virtually all employees agreed that the most distinctive aspect of the Cordoba culture was the pervasive attitude that Cordoba's people can do anything. "We really don't set any artificial limits on ourselves," said Mehranian. "You get the opportunity to become what you think you can be, and George supports you." Several people remarked on being asked to undertake

projects that they thought might be beyond their abilities, like participating in a major marketing presentation the first week on the job. Pla would reassure them that they could do it, and they found they could.

The opportunity to have major responsibility early in one's career made Cordoba an extremely attractive place for ambitious and talented people to work. The firm attracted people from the major institutions of higher education in the Los Angeles area, and universities outside the area such as Harvard, Stanford, and Princeton. Pla promoted rapidly people who performed well, which accounted for the relatively young age of the top management team. Several remarked that, compared to other consulting firms, the opportunity to assume major responsibility was an important reason why they were attracted to Cordoba. Given their experience and training at Cordoba, the external market value of these managers was considerable. Among the top team, there was some concern that people might be attracted to other lucrative positions.

A related feature of Cordoba's culture was the opportunity to act on one's own ideas. If a person learned of an interesting project, they were urged to pursue it. One employee observed, "You are not questioned much before you do something, but you will be afterward. So you're free to pursue ideas, but they better be well thought out." Another manager added, "George can't stand a lack of activity. As long as you are kicking up some dust, you're OK, even if you screw up." Pla's management style reinforced this behavior:

Everyone in every position has the opportunity to be an entrepreneur. I encourage my people in any position to present their ideas to me and back them up. Everyone has as much room to run as the entrepreneur. I have trained my people to believe in and practice this philosophy.

The Need for Change

A variety of reinforcing pressures made the need for change apparent. First, the mix of clients and projects was changing. Pla described the shift:

What's happened with our growth is that the nature of our clients and the size of the work is getting to be multi-million dollar, state-wide, multi-year work. So, more than ever, we're going to have to be more institutionalized in how we do our work and a little less entrepreneurial in the positive sense. However, my concern would be that we get so big that we become bureaucratic. The reason that I may be strident at times is that I want to remind people that I'm not going to allow bureaucracy to creep in. We're going to have the infrastructure to do big-time work, but we're going to be entrepreneurial enough to make changes, make decisions, and make commitments in real time.

Cordoba was now vying regularly for major pieces of work. Two major projects were on the horizon that could potentially boost the size of the firm by 50% in a few months. Also, the firm was committed to becoming a prime contractor on these projects, not just a sub-contractor, which was a major strategic change on that size of a project. As a prime contractor, the need for strict accountability was essential: responsibilities for all finances would rest with Cordoba.

The strain of operating the organization informally was beginning to show. A key concern related to the financial efficiency of the firm. Over time, some divisions had acquired projects

and people which did not appear to contribute the expected financial returns to the business. Pla knew that to enter the "big leagues" of competing with other prime contractors, Cordoba would have to focus much more on growing its profits. Furthermore, basic administrative functions like invoicing clients and paying vendors took months, reported one vice president. Accounts receivable were sometimes not collected for months. The absence of a performance appraisal system and any policies related to compensation were beginning to cause tensions among managers. Although they agreed that Pla exercised good judgement in allocating rewards, virtually everyone agreed that some basic management systems were needed. Some, however, were also concerned that they did not want those systems to infringe on their autonomy.

Finally, and from Pla's perspective most importantly, he had decided it was time to move into other areas of interest such as starting up the nation's first Hispanic Venture Capital Fund. This opportunity would require much of his time. Pla saw this as a major challenge for the organization:

The true test of Cordoba will be the venture fund. The venture fund doesn't mean I go away; it just means that I'm spending more time on other things. I'm still the owner and I will still insist on the way things get done. But, if Cordoba is going to grow, it would be impractical for me to be involved in everything day to day. The divisional profit centers now have a life of their own. And it's restructured in a way that I'm not a vital part of the processes, though I add value to what they do. I have the best of both worlds: I can become the breeder, but I don't have to deal with the daily stuff or know every client.

George explained his future role in this newly configured organization.

You see, I absolutely love being the entrepreneur and creating vehicles and entities and watching them succeed, both financially and as effective organizations. That vehicle is not restricted to Cordoba. Cordoba is simply one of those instruments, the venture fund is another. So, I go to my office everyday and work on the overall agenda. In fact, one day, I see Cordoba as a holding company and the three divisions as separate firms, run by the current vice presidents.

The faster a COO can take charge, the better. I would love to do a strategic plan at the beginning of the year for the company and then, basically, not have to do anything more the rest of the year. But, we're not there yet, and in the lifetime of a business, nine years is not a long time. I sometimes wonder if we're ready. All that will change is that I will become more of a chairman and less of a CEO: I want to offer vision and direction, because that's what counts in this industry.

I'm trying to change the sense that people think that the company will be different if I'm not there. I don't want Cordoba to be George Pla. It's not going to work. As I move on to do other things that I consider a part of the Cordoba agenda, it's not going to work for the company to be me and me be the company. It concerns me that people think that if I'm not at the Monday meetings, or if I'm not there everyday, then the whole organization would fall apart.

Change at Cordoba

In September 1992, Pla announced several organizational changes. He created the position of COO, to which he appointed Mehranian, and created the position of vice president for administration, naming Jaime Telles, former regional manager of the San Diego office, to the post. Telles' job was to install new management systems, like a formal performance review process, and to initiate training programs for managers. He reported to Mehranian and Pla.

At the same time, Pla promoted several other people. Genoveva Arellano, a 29-year-old Harvard Kennedy School graduate who had been with the firm for three years, replaced Mehranian in the planning division. Mike Ford, a 35-year-old with six year's experience at Deloitte Touche, Ross and two years at Cordoba, replaced Telles in the San Diego office. Randall Martinez, a 26-year-old graduate of USC who had been with the firm nearly four years, was promoted to regional manager in San Francisco. Pla saw all of these changes as strengthening the top management team.

The New COO: Maria Mehranian

The most visible and important change was the creation of the COO position. George described his rationale for offering Maria the position of COO:

It wasn't as difficult as one might expect. She is a very reasonable individual. People look at a decision like this, and they try to figure out how it's going to affect them. What they can see is that some vice presidents are more punitive than others and it wouldn't be in their interest to support that decision. Since Maria is more personable and qualified, I felt most people would prefer to work under her. So, it wasn't a tough decision, but it surprised the hell out of everybody.

Maria also reflects one of the key attributes of Cordoba: getting things done. You can tell Maria to take a hill and she doesn't ask how or why it may not be doable. She simply figures out a way of getting it done. I made this decision despite the fact that Maria's major weakness is her lack of operating experience. You see, I believe strongly in on-the-job training, having to do it everyday on the job day-in and day-out. Maria is a bright, committed person, she'll figure it out. And she can learn it in part from me.

The company has an identity all of its own, so the parameters are there to make decisions. I feel very comfortable that Maria, having grown up in the company, will make good decisions along those parameters. There will be a 20-25% portion of decisions that will be left to me; those are the strategic decisions about the direction of the company. But that really is the role of a chairman. Also, we're not mature enough for me to delegate the financial issues entirely. While others now participate, I still expect to be very involved with those decisions. For me to let go of the financial issues probably will take another few years.

Pla announced the change in a quarterly managers meeting a few weeks later. According to most staff present, the announcement came as a complete surprise. Pla commented:

If there would have been a poll taken about who was going to be COO, the poll would have said Daniel. He'd been there the longest, he's a very bright guy, and he runs the largest division. Therefore, everyone was shocked. I explained to everyone why I had chosen Maria and by that time they were all nodding their heads in agreement, including Daniel.

Mehranian's Reaction

Mehranian recounted her past discussions a few years earlier with Pla about the creation of a COO position.

You see, I really found it rewarding to work with George directly, in terms of what I learned, how I developed my career, and most importantly, in my own personal development. I pretty much think of him as my mentor. The biggest part of my staying at Cordoba is the opportunity to work with George directly. I'm pretty sure that most of the managers feel the same way.

Anytime the discussion turned toward the creation of a COO position, I and the other vice presidents would always react negatively. We would tell George that we can't work with anybody else but him. We were not about to report to anyone else.

When Pla offered Mehranian the COO position, she was apprehensive. Yet, she accepted immediately—partly out of loyalty to the corporate agenda and partly out of a desire to meet the challenge of the new position. In taking the position, Mehranian thought aloud about some of the problems she would encounter.

I work well with George. But at the same time, I felt it would be very hard to work with him in this position because he is a strong and powerful person. One has a tendency to be overshadowed.

Thus, I must avoid certain traps. The first trap is to always believe that George is right. If George is always right, what value do I add? I must maintain a certain level of my own judgment of what is right and wrong at a given point. The second trap is to avoid becoming a glorified office manager because my focus is now operations. Lastly, I must not get too caught up with internal matters and forget the external competitive aspects of our firm. I must transfer my clients loyalty over to the new vice president of planning, Genoveva Arellano. I have total faith in Genoveva who has been my top assistant in planning for the past three years.

Mehranian felt it was important to distance herself from Pla and create her own identity within Cordoba. Her most immediate goal was to really understand how she wanted to run the firm and ultimately put her own mark on Cordoba.

One of the major items of my agenda will be to understand and control the financial aspect of the operations. This includes total cost of operations, divisional break evens, revenues, and profits. Having a good understanding of the numbers, I will be able to make decisions to maximize efficiency and profitability.

I also have some ideas about the way the three divisions should be run. I want to see us more as the prime contractor on major planning projects. The Development division needs to have top-of-the-line engineers that rival our competitors. And I think that Systems should go after major projects in the public sector and away from their current focus on the small retail, private sector deals. I still have a lot to learn, especially about Systems, but I think that these are the type of changes I should be making.

Mehranian felt that gaining the respect of her peers would be critical if she was to be effective in her position.

When the decision was announced at the quarterly meeting, I knew that some people were genuinely happy and others were not. Those who were unhappy probably would have rather seen someone from the outside come in with an MBA and years of operational experience.

I sensed that most vice presidents would attempt to go around me directly to George. Having been a vice president in the past environment, I would do the same. But, I have told George that if he continues to talk with them on issues that the COO should handle, then I'd better go back to my old position and do billable work because there is no point in creating an overhead position if you're going to undercut my authority.

More importantly, Mehranian was concerned that the role of COO had not yet been sufficiently defined by Pla. Although there were some operational tasks that needed immediate attention, she wondered whether she had a role in the strategic decisions of the firm.

The Reactions of Staff

The reaction among the Cordoba staff ranged from excitement to disappointment. The announcement took a majority by surprise. One vice president doubted Mehranian's ability to argue the VPs' cases to Pla when it came to allocation of scarce resources. He stated, "She has always been so loyal to George. I wonder when push comes to shove, whether she will be able to stand up to him and argue our case. At this point, I feel more comfortable talking with George myself."

Another staff member felt that Mehranian was simply not the right choice for the job. "I would have preferred an outsider. Somebody who is objective, has past experience as a COO, and has no past agenda. Cordoba is past the stage of family. What we need now is a hard-nose manager able to implement control measures that will govern the entire organization, including the divisional fiefdoms."

Others were excited for Mehranian and had faith that she could live up to her new role. One of the senior staff said, "Maria has always been able to carry out whatever George has given her to do. She is determined, hard-working, and will do what is necessary to do an excellent job." One vice president was ready to cooperate fully, but wondered when Mehranian would take charge and offer her plan of action. "I understand there is no real crisis situation here, but we are all waiting for Maria to indicate what she plans to do."

Finally, some employees wondered whether the fact that Mehranian was not Hispanic would affect her ability to represent the firm. While the firm's work did not center primarily on its expertise related to Los Angeles' large Hispanic community, Pla's high visibility in the community and the firm's minority-owned status was widely recognized. One employee said, "Maria is Armenian. That may not hurt us, but it certainly doesn't help. She cannot claim to represent a Hispanic firm to the community. Only George can do that." Others disagreed with that point, stating that "Cordoba has moved past being a minority-owned company. We have established ourselves as a premier consulting firm which just happens to be Hispanic. In any case, today the firm represents California's population and its diversity."

Monday Morning Meeting

It was now 7:30 a.m. The traditional Monday meeting that Pla had run since Cordoba's inception was about to begin. The agenda for the weekly meeting usually covered reviewing the work of the firm, making decisions about resource commitments, and establishing priorities. Now that the organization had been changed, everyone wondered what their roles would be and should be at the meeting, and more broadly, in the management of Cordoba.

Exhibit 1 History of Growth

Year Ended	Revenues (\$)	% Change
11/30/83	150,000	---
11/30/84	300,000	+100%
11/30/85	600,000	+100%
11/30/86	770,000	+28%
11/30/87	850,000	+10%
11/30/88	2,110,000	+148%
11/30/89	2,880,000	+36%
11/30/90	5,250,000	+82%
11/30/91	6,260,000	+19%
11/30/92	6,635,000	+6%
11/30/93	7,200,000	+9%

Exhibit 2 Project Descriptions**Cordoba Planning Division**

Metro Rail Orange Line Extension
Los Angeles County Transportation Commission

In conjunction with Parsons, Brinckerhoff Quade & Douglas, Inc, Cordoba Corporation is assisting the Los Angeles County Transportation Commission with the community participation element of the Alternatives Analysis and Draft Environmental Impact Statement for the Metro Rail Orange Line. The Orange Line is the extension of the Red Line to the West and East sides of Los Angeles. Cordoba is responsible for communicating clearly to the East and Westside communities about possible effects of Orange Line operation in their areas through public hearings and meetings with community leaders. Cordoba will also provide environmental analysis, that will be incorporated into the EIR.

Cordoba System Division

Freeway Monitoring System
Booz-Allen & Hamilton/LACTC

Working under the auspices of Booz-Allen & Hamilton, Cordoba Corporation has designed and developed a system that processes data collected by CALTRANS on several hundred freeway sensors throughout Los Angeles County. The raw data is accumulated 24 hours a day and loaded into PC hard disk. Cordoba Corporation wrote programming which provides a variety of accesses to the data, permitting the LATC staff to monitor traffic patterns on the freeways.

Cordoba Development Division

Accelerated Building Construction Program
Los Angeles Unified School District (LAUSD)

Cordoba Corporation completed an engagement with CRS Serrine for managing a \$200 million construction/renovation program for the LAUSD. This project involved the construction, addition, and modernization of over 100 sites in the Los Angeles Area, including elementary, junior high, and high schools. It included the monitoring of all architects, contractors, and design review personnel. Cordoba's management is filling key roles for 24 of these sites, including: design review, cost estimation, real estate tracking, contracts administration, billing and project accounting, record management, and documentation.

Exhibit 3 Background of Key Managers

Name	Age	Education	Race	Yrs with Firm	Previous Experience
Maria Mehranian Executive Vice President, COO	36	B.A. Economics American College in Tehran, Iran Masters in Urban Planning, UCLA	Caucasian	7	Intern with Executive Vice Transportation Services
Daniel Telles Vice President of Development Division	34	Completed course work towards A.B. in Economics, Harvard University	Hispanic	7	Economic Development Analyst with City of Montebellan
Genoveva Arellano Vice President, Planning Division	29	University of Southern California B.S., Public Administration Masters in Public Policy, Harvard University	Hispanic	3	Account Supervisor with Fleishman-Hillard Public Relations
Irving Hoffman Vice President, Cordoba Systems Division	53	B.A., Business Administration San Diego State University Master of Public Administration, University of Southern California Los Angeles O.R.T. Technical Training Technical Institute Novell Certified Network Engineer	Caucasian	4	Director of Systems and Data Processing for Sav-On Drugs, Inc.

Exhibit 3 (continued) Background of Key Managers

Name	Age	Education	Race	Yrs with Firm	Previous Experience
Carolyn Veal-Hunter General Counsel and Regional Manager in Sacramento	33	B.A., Psychology/ Sociology, University of California, San Diego, J.D., University of California, Los Angeles	African-American	2	Principal Consultant to the California State Assembly Utilities and Commerce Committee and General Attorney to the Tariff Division of the Federal Communications Commission
Mike Ford Regional Manager, San Diego and Newport offices	35	B.A., Political Science, Bowling Green State University, M.A., Public Administration, Ohio State University, Master of City and Regional Planning, Ohio State University	Caucasian	3.5	Manager with Deloitte & Touche, served as designated government Specialist
Randall Martinez Regional Manager, San Francisco	26	B.S., Business University of Southern California	Hispanic	4	Associate with the investment banking firm of Bancroft, Garcia & Lavell, Inc.
Samuel Maynez Vice President of Administration and Finance	38	B.A., Chemistry Princeton, M.A. Santa Barbara, M.B.A. Anderson School of Management, University of California, Los Angeles	Hispanic	5	Financial Consultant to Coronado Communications Finance
Jaime Telles Vice President of Administration	40	A.B., English, Stanford University, A.B. Political Science Stanford University	Hispanic	5	Stanford University Press, where he oversaw a variety of logistical operations.