

A magazine for Hewlett-Packard people

September-October 1996

# MEASURE

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of Ireland

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**F**requent Internet surfers know that one of the most popular features of any home page is the FAQ—frequently asked questions—section.

*MEASURE* also gets several repetitive questions, so here are answers to some of your FAQs.

**Q. Why isn't *MEASURE* available electronically?**

**A.** Actually, we've just opened Dr. Cyberspace's Clinic, an on-line version of the popular Ask Dr. Cyberspace column in *MEASURE*. See the box on page 23 for more information.

As far as an on-line version of the entire magazine, that's more complicated. *MEASURE* is intended to be a highly visual feature magazine for HP people. Photos are an important part of the magazine. Given the current Web technology, photos aren't practical; they take a lot of time to "load."

Many *MEASURE* readers like the portability of a print magazine. Others, including many retirees, don't have easy access to the Internet.

So, while some people prefer the electronic medium, others scorn it.

**Q. Why not put a stack of *MEASURE*s in the cafeteria instead of mailing the magazine to our homes (in the United States)?**

**A.** HP management determined many years ago that *MEASURE* is important enough to ensure that it gets into employees' hands. Mailing to homes is an efficient way to do this—and preferred by a large number of employees who don't want one more document in their in-trays at work. Many family members enjoy reading *MEASURE*, too.

We mail it by third-class postage—the least expensive way. That also saves the "man" hours of distributing the magazine internally.

**Q. How can I get a story in *MEASURE*?**

**A.** We plan *MEASURE* as much as a year in advance, using tools such as the HP Hoshins and Corporate Objectives to decide its content.

We try to balance the content organizationally and geographically. However, with more than 100,000 employees in more than 120 countries producing more than 20,000 different types of products, it's impossible to cover the HP world in six bimonthly editions each year.

That doesn't mean you shouldn't send in ideas. We get some of our best story suggestions from employees around the world. Our address is on page 3.

**Q. How can I get copies of the photos that appear in *MEASURE*?**

**A.** The short answer is, "You can't." U.S. copyright law says that the photographer maintains the rights to the photos. We pay for one-time use in *MEASURE*. And the photographers have the right to charge for any other uses—slide shows, brochures, the Internet and so forth.

**Q. Why even publish *MEASURE*?**

**A.** Dave Packard started *MEASURE* in 1963 when HP grew to 6,000 employees. He wanted a publication that helped "connect" this growing, complex company. That original purpose is even more critical today.

By the way, the International Association of Business Communicators consistently ranks *MEASURE* as one of the best employee publications in the world.

*MEASURE* welcomes your ideas and feedback. Let us know how we're doing.

—Jay Coleman



**On the cover:** High-tech plants such as HP's new Dublin Inkjet Manufacturing Operation are revitalizing the economy of Ireland and creating jobs at home for the country's youth, like Sonya Hartnett and John Meleady, who work in test and audit.

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small is

**BIG**

Until now, only one technology company has done a good job of addressing the needs of small businesses. HP would like to become Apple's worst nightmare.

*By Jean Burke Hoppe*

There is something approaching awe in Jan McDaniel's voice as she muses about the small-business market.

"In the U.S. alone, we know there are 6.9 million small businesses that employ close to half of the work force," says the North American marcom manager for the Personal Information Products Group (PPG). "Of those 6.9 million, 75 percent have PCs installed. It's not unusual for them to upgrade their systems every two or three years."

The numbers follow suit around the globe, says Eric Cador, manager of PPG's Small Business Computing Operation in Grenoble, France. "In fact, I believe our numbers may be wrong. I believe we will discover this market is much, much bigger than we think. We've been underestimating it. The vast majority of European companies are small. The same is true in Latin America and much of Asia Pacific. Corporate downsizing is constantly sending people into smaller businesses. This will be one of the fastest-growing markets over the next five years."

While much of the computer industry refers to this market as SOHO—small-office/home-office, HP believes that's an inaccurate and limiting view. HP is after the SBSO—small-business/small-office—market.

Small businesses and small offices have anywhere from one to 100 employees, but usually no in-house information-technology (IT) support. Another key differentiator, says Eric, is that technology purchases come out of company funds, not personal funds.

The small-business market can be further defined by three segments: micro businesses, with one to four employees; small businesses, with five to 19 employees; and transitional businesses with 20 to 100 employees. HP really is zeroing in on the small-business segment, where owners/managers make the business-related decisions themselves—whether it's choosing printer paper or a new network.

As a group, says Eric, small businesses have little in common. It's a



AP/WIDE WORLD PHOTOS

The Buffalo Bills professional football team uses a network of HP Vectra 500 computers to "run" its high-profile business.

complex, diverse and sometimes unpredictable market. Small-business owners may be technically savvy or computer illiterate. They may have dreams of being the next Microsoft or be someone who'd be deliriously happy working alone. Whatever their status, they make very different purchasing decisions than someone buying a home computer.

"Offering a good value to small business is important, but this doesn't mean the lowest price," Eric says. "Small-business owners see their computer equipment as a tool that's critical to their business success. Manufacturers haven't appropriately communicated the value that the computer and other equipment can bring. HP wants to deliver a tool to help small businesses run their business, but we also want to ensure that they understand the value that tool brings."

(HP has addressed the home market with the popular HP Pavilion PC, a multimedia workhorse that is perfect for home businesses with simple

word-processing or personal-finance needs—but designed for family use, typically games and home-management programs.)

HP's small-business market includes the likes of:

- Solo practitioner Timothy Liou, a technically savvy attorney who works out of a state-of-the-art home office in Chicago;

- Small-business owner Chris Crumley, owner of EarthWater Stock Photography in Virginia Beach, Virginia, employs five people;

- And the 85-member administrative and coaching staff behind the highly visible, multimillion dollar Buffalo Bills football team.

Eric Cador says, "We have found small businesses around the world have three essential needs: productivity (applications that work right out of the box), up-time (service and support) and communications capabilities (instant access to fax, e-mail, networking and the Internet)."

"We learned from customers in our research and focus groups," says Jan

McDaniel, "that Apple has done a good job in serving this market by providing computers that are easy to buy, start up, use and maintain. Apple customers are incredibly loyal, but a little uneasy about Apple's stability and future right now. Customers are concerned about software availability and small businesses are definitely software-driven."

The timing couldn't have been better for the HP Vectra 500 PC line introduced in March.

The HP Vectra 500 Series PCs, says Cathie Lederle, product manager in PPG's North American Small Business Computer group, are "approachable and accessible." They come bundled with business software that will get any small business out of the box and right to work. The co-branded (with Microsoft) Small Business Center comes loaded with Microsoft Office Professional and Bookshelf, which contains Word, Excel and PowerPoint—the leading wordprocessor, spreadsheet and presentation programs,

respectively. All models boast pre-installed networking software and communications tools.

A key HP Vectra 500 Series PC feature, designed to be the next-best thing to in-house support, says Cathie, is Carbon Copy, remote electronic-control software that allows HP technicians to dial into registered owners' PCs to diagnose and fix many software-related problems. There's also a toll-free line just to support Vectra 500 owners.

And in October, Connected, an electronic, remote back-up software, will be part of the HP Vectra 500 Series PC bundle.

The Vectra 500s are sold mainly through second-tier resellers and value-added resellers, where 54 percent of small-business owners purchase computers, says Maria Pesavento-Walton, channel manager for the Vectra 500 line. Until the Vectra 500 line was introduced, she says, these resellers had no specific product to offer this market. They had high-end corporate PCs with more power than small businesses generally need and consumer-oriented PCs tweaked to approximate small-business needs.

Resellers such as Tony Conte, president of Larry Smith Office in Buffalo, New York, who set the Buffalo Bills football team up with Vectra 500s, are happy to have this product to offer. "The Vectra 500 fits this niche very well. It's aggressively priced. HP has this reputation for being pricey, but if dealers sit down and do the arithmetic—compare the Vectra 500 prices with the clones—they're going to see this is a very good deal. The Vectras cost only slightly more and you've got the dependable HP service and name behind them."

A San Francisco Bay Area reseller,



Many small businesses are like Chris Crumley's company, EarthWater Stock Photography in Virginia Beach, Virginia, which has five employees.

PHOTO COURTESY OF EARTHWATER

## Who are these people?

Whether you're running a foundation or a football team, a toy manufacturing company or a microbrewery, a doctor's office or a design firm, you need the right equipment to succeed in this wired world.

A U.S. survey by Link Resource breaks down the small-business market this way:

- Services (health care, legal, automotive): 35%
- Retail trade: 25%
- Agricultural, mining, construction: 13%
- Finance, insurance, real estate: 9%
- Wholesale trade: 7%
- Manufacturing: 6%
- Transportation, communication, utilities: 4%

Tom Tibault of Tibault & Associates, is bundling the Vectra 500s with medical software and targeting the 35,000 members of the California Medical Association. Maria expects a lot of the value-added resellers to use this vertical-marketing approach.

The product has moved into the mail-order market, says Maria, and HP also is evaluating other distribution strategies.

The truth is, HP is already in the small-business market in a very big way. Ninety-seven percent of small businesses are using HP printers and absolutely love them. In launching the HP Vectra 500 Series PC line, says Cathie, "HP leveraged off the overwhelming loyalty that small businesses have for our printers. Even our print ads say: 'Introducing the first PC worthy enough to work beside your trusty HP printer.'"

Brand names become incredibly important in this market, says Jan



Cathie Lederle, Maria Pesavento-Walton and Kathleen Tandy compare notes on the success of the HP Vectra 500.

McDaniel. "People who are not technologically savvy want to buy a brand name they know and trust. And HP is known for dependability. In focus groups, customers call their HP printers workhorses. They complain they want to upgrade but their old printer won't die. They repeatedly say, 'If HP can give me a PC like my HP printer, I'd buy it in a second. If HP can set me up with a LAN that's as dependable as my printer, I'd buy it in a second.' Our leading edge all goes directly back to our printers."

"This is the first time that we, as a division, have leveraged off another division's success," Cathie says. "We're starting to work with other divisions that have been in this market and we're starting to pull our resources together as a company. Small businesses want a turnkey solution, a seamless solution.

"They don't want to have to do all this research. They want products

that will work together, and HP is the only computing company that offers a product for every aspect of the small-business computing environment—from handheld calculators to computers to scanners to PCs to laptops to printers to networking systems."

Since the Vectra 500 line was introduced in March, a Small Business Initiative task force has been meeting monthly to develop a companywide strategy and to look for new ways to pool resources to help the small-business owner. It is headed up by Jean-Luc Meyer, worldwide marketing manager for the Vectra 500 in Grenoble, and brings in all the other HP players who are zeroing in on this lucrative market, including:

- Vancouver Printer Division
- Workgroup Networks Division
- Direct-Connect Organization
- San Diego Printer Division
- Greeley Hardcopy Division

- Information Storage Group
- Small Business Computing Operation
- Network Server Division
- Worldwide Customer Support Operations (WCSO)
- PPG's North American Marketing Center
- Finance and Remarketing Division

"I think small-business owners will be delighted with what we have to offer," says Eric Cador. "We have approached this market from a very logical—and yet emotional—level. One U.S. customer told us, 'You are the first company to ask me, 'What is it you want to do?' You didn't start pushing gigabytes and RAM at me. I appreciate that that was your first question.'" **M**

*(Frequent MEASURE contributor Jean Burke Hoppe is a Lincoln, Nebraska-based free-lance writer and micro business owner.—Editor)*

An HP employee makes a shocking discovery and saves her own life.



CHARLES GUPTON

Enjoying a vigorous bike ride is one of the many healthy activities that keeps Amy Mott and husband, Bob, in tip-top shape.

# A leap of fate

*By Grace Razo*

ROCKY MOUNT, North Carolina—Amy Mott grabbed the transducer, a handheld scanning device on the HP Sonos 2500 echocardiography imaging machine, and began to pass it slowly over her abdomen.

Amy, a clinical imaging specialist in HP's Imaging Systems Division, wanted to brush up on her abdominal scanning techniques before training technicians in April at the Boice-Willis Clinic, which recently bought the HP gear.

Patti McDonald, a medical sonographer at the clinic, and Amy were just "playing around" while waiting for patients to arrive.

"I'm trying to find my gall bladder," Amy told Patti, as she continued to use herself as a guinea pig. Amy stopped suddenly after the transducer passed over her kidneys. Slowly, she scanned her kidneys again. This time Patti and Amy looked wide-eyed at the image on the screen.

"We both looked at the monitor and knew that something wasn't right," Amy says. Amy never found her gall bladder, but instead found an abnormality on her right kidney. "I just took a breath," Patti remembers. "I've never seen a kidney that looked like that before. I kept wondering, 'What is this thing?'"

Patti took the scanned kidney pictures to the clinic's radiologist, who confirmed that Amy had a mass consuming two-thirds of her right kidney. He suggested that Amy see a urologist right away.

Patti relayed this information to Amy, who appeared calm despite the circumstances. All the while, Amy kept thinking it might be something technical. She used to scan herself almost daily while at school—the Maryland Institute of Ultrasound Technology—and her kidneys were fine. Amy now knew that wasn't the case. Patti says, "Amy, you must have a guardian angel with you."



At this point, Amy was confident it wasn't anything really serious. How could it be? "I was young, healthy, exercised and did everything in moderation," Amy says. "I was also in denial. I sort of lived my life in a bubble where I thought nothing could happen to me." But something was happening and Amy's bubble had just popped.

Amy scheduled an appointment with Dr. John Weinerth, a urology specialist at Duke University Medical Center in Durham, North Carolina, where she underwent a CT scan, MRI, urinalysis and blood workup. Dr.

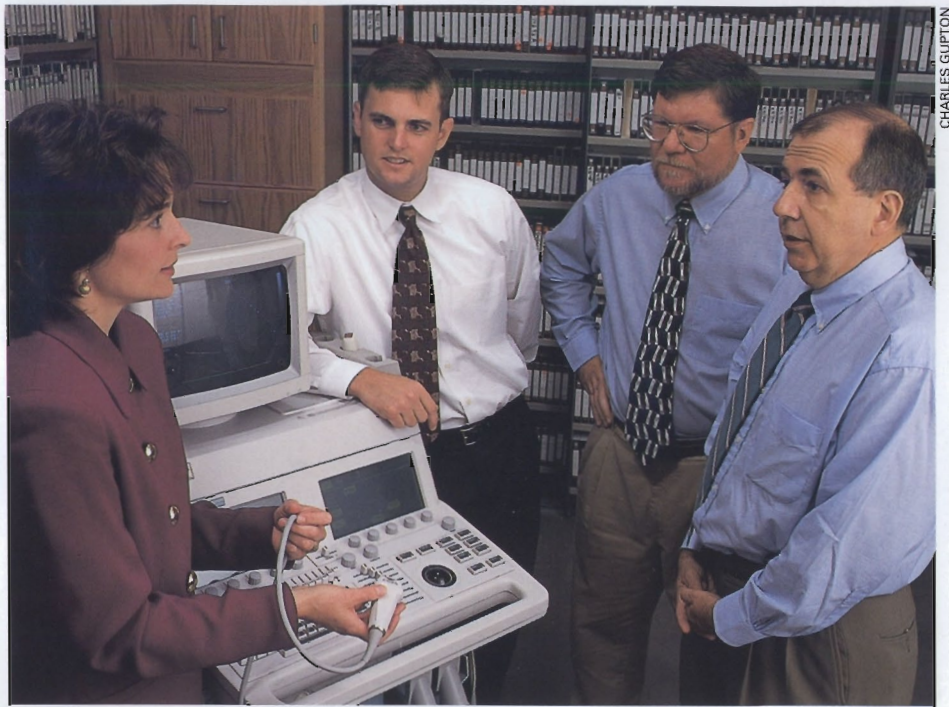
Weinerth examined the ultrasound pictures Amy had brought with her but couldn't tell if the mass had spread to other organs. The fact that Amy was in excellent physical shape was, ironically, detrimental in Dr. Weinerth's professional eyes. "You have no darn fat," Dr. Weinerth said. "If you had some fat, I'd feel better that it hasn't gone into your liver."

In most kidney cancer cases, people exhibit symptoms such as blood in the urine or an aching pain near the side or lower back. By the time these appear, the cancer has spread to other organs or into the bloodstream. Since Amy had shown neither symptom, it was a good sign that the mass had been caught before her situation was serious.

Dr. Weinerth called with the results the following day. He was very direct. "Amy," he said, "you have a big tumor. It's got to come out, and I've got to take the kidney with it because I can't leave it there." His last words before hanging up were even more chilling. "Amy, you may have just saved your life."

Five days later, Amy's right kidney was removed, along with a malignant tumor. Thankfully, the tumor was encapsulated on her right kidney. The cancer cells had not spread to the liver or blood vessels, and were removed without complications.

Amy recovered admirably at home in Raleigh, North Carolina, surrounded by her supportive husband and family. Amy says she also received unbelievable support from her "HP family"—HP's Raleigh (Cary) sales office, where she works, and other Imaging Systems Division employees worldwide.



Amy discusses the life-saving attributes of the HP SONOS 2500 with (from left) HP co-worker Brett Dymond and Duke University's David Adams and Dr. Joseph Kisslo.

*"We both looked at the monitor and knew that something wasn't right."*

Although she's had time to mend physically, even returning to work on July 8, Amy admits the emotional acceptance of what she has undergone is still happening.

"I think it's really important to go through some stage of reflection when something traumatic like this happens in anyone's life," Amy says. "Going through this has given me a much deeper, greater appreciation of those things that I do have."

When Amy reflects on the series of events that led her to "play around" with the HP SONOS 2500, she realizes that she is lucky to be alive. What if she hadn't studied ultrasound technology? What if she didn't work for HP? What if she and her district manager, Mitch Bjugson, hadn't discussed brushing up on abdominal techniques during her last performance evaluation? What if she hadn't found the mass on her kidney?

Perhaps it was fate or something greater that brought together the vital pieces of her life. Whatever it was, Amy never will forget the one incident that's allowed her to look toward a healthy future. "Something led me to look at my kidney, and take this thing away from me so that I could continue to live my life just as I am right now. Thank God, I'm right where I should be." **M**

*(Grace Razo, a Santa Clara (California) University student majoring in journalism, was a 1996 MEASURE summer intern.—Editor)*

# The upside of outsourcing

By David Barnes

In three short years, HP's entrepreneurial Operations Services Division has built a worldwide business—and reputation—by providing outsourcing solutions.

In mid-1994, Frank Oers, information technology (IT) manager for DHL, faced a major challenge.

"In the fiercely competitive express delivery industry, a company's computer systems are critical to providing competitive service," he says. "But an aggressive expansion program was stretching our MIS staff beyond its capacity."

Oers knew he needed outside help, but did not want to relinquish control of the strategically important IT function. "We wanted a service provider that would complement rather than replace our in-house IT capabilities."

DHL selected HP's Operations Services Division (OSD), a relatively new division within Worldwide Customer Support Operations (WCSO).

"HP offloaded a tremendous amount of front-line work from the IT staff," says Oers. "This enabled us to focus on the day-to-day support to users at headquarters."

Like DHL, companies of all sizes today face accelerating advances in tech-

nology, rising costs and the need to stay competitive in fast-paced markets. These challenges drive many companies to seek systems-management and networking expertise outside their own IT departments.

In years past, IT executives would have viewed such "outsourcing" services as a potential loss of control of their computers and networks. But that view is changing rapidly, says Denny Wayson, director and principal analyst for Dataquest, an international market-research firm. "Instead of treating outsourcing as a threat, enlightened corporations now view it as a strategic weapon."

This shift in attitude represents a significant market opportunity. Dataquest research indicates that

three years ago about 35 percent of surveyed companies were using—or considering using—outsourcing services. In 1995, that number exceeded 50 percent. For some kinds of services, it's more than 80 percent. The trend has made the IT professional-services



HP's Operations Services Division manages the computer systems and the global network for Shiseido Corporation, a Japanese manufacturer of cosmetics and personal-care products.

SHISEIDO PHOTO

market one of the fastest-growing in the United States.

Sensing this trend, WCSO management established the Operations Services Division in September 1993.

"We saw outsourcing as a great opportunity to grow revenue that matched well with the skill sets of Hewlett-Packard and WCSO," says Ann Livermore, HP vice president and general manager of WCSO. "In addi-

*"In its first three years, OSD has grown at more than twice the industry rate, and continues to outpace the industry."*

tion, the strong customer ties created through long-term outsourcing contracts can enhance HP product sales and keep the competition from making inroads into key accounts."

Outsourcing also enables HP to take advantage of existing support capabilities. "OSD leverages the remote support capabilities of our response centers that we began building 10 years ago," Ann says. "And outsourcing deals typically have large components of hardware support, software support and financing, which have been strengths for HP."

According to Lane Nonnenberg, WCSO director of sales and marketing—and general manager of OSD from its beginning in 1993 through early 1996—OSD's growth validates the vision of the founding team. "In its first three years, OSD has grown at more than twice the industry rate and continues to outpace the industry," Lane says. "From a handful of cus-



DHL PHOTO

**When an aggressive expansion program stretched DHL's computer capabilities, the world's largest international air-express company turned to HP's Operations Services Division.**

tomers in 1993, OSD has built a base of more than 200 active accounts, with users in more than 30 countries."

Since its inception, OSD has continued to expand its services, which now include:

- network design and integration
- systems management
- network management
- desktop services
- business recovery

But developing a full portfolio of services is only half of OSD's business equation. Computer and telecommunications technologies enable corporations increasingly to conduct business globally, despite national borders and time zones.

"HP customers expect services and support of consistently high quality, no matter where they are," says Doug

Chapin, OSD general manager. "Our worldwide delivery capability—which combines state-of-the-art technology, centralized operations services centers and local resources—is a cornerstone of OSD's strategy and a key to our ongoing success."

Customer profiles worldwide reflect OSD's global capabilities.

At the close of 1994, Heineken Italia, a subsidiary of the Netherlands-based brewing giant, had grown to roughly 2,000 employees, with operations generating approximately US\$600 million in revenue annually. Because of the company's rapid expansion, its mainframe computer system was stretched to the limit.

To prepare for continued growth, and to ensure ongoing profitability and high customer service, Heineken

# Outsourcing

Italia moved to systems based on open-computing standards. However, given the company's unfamiliarity with UNIX<sup>®</sup> systems and its limited IT resources, Heineken Italia needed a broader, outsourcing-based solution.

"Despite very aggressive competition from IBM, Heineken Italia chose HP due to its long-term relationship with HP, our reputation and our expertise in open-systems computing," says Paolo Tomasi, OSD's

***"Most large companies simply don't have the expertise or resources to manage their PC systems and applications."***

marketing manager for Italy. "We demonstrated the ability to move quickly with minimal interruptions to the customer's operations."

Half a world away, Shangri-La Singapore, an internationally renowned five-star hotel, also recognized the strategic role that IT plays in its ongoing success.

Shangri-La hired HP to design a computer network to link all departments—from sales and catering to reservations and housekeeping. A key contributor in the selection was the hotel's previous—and highly positive—experience with HP at its Munich, Germany, facility.

HP installed everything from the networking equipment and servers to the cabling itself. The system went live in February. Employees now have access to office-automation services, including fax and e-mail, enabling them to respond more quickly to customer requests.



LARRY LINDOUS/IMAGE SOURCE

HP is managing Owens-Corning's transition from mainframe computers to a client/server network. Michael Radcliff (left), Owens-Corning vice president and chief information officer, discusses the project with Chuck Weber, HP Global Services account manager.

Building on this success, OSD recently received a comprehensive five-year contract with the Singapore Environmental Management Company Pte Ltd (SEMAC), the company chartered by the Ministry of the Environment with managing refuse collection and disposal. HP will provide desktop services to standardize PC applications companywide, the network integration to link all SEMAC PCs and ongoing management to keep the systems and network operating at peak efficiency.

"HP support allows SEMAC to make the most of information technology, which will help us to continually improve the quality of our services," says Richard Lim, chief executive officer of SEMAC. "Ultimately everyone wins—SEMAC, our customers and Singapore citizens."

Desktop outsourcing is a huge opportunity for HP, says Brenda Vathauer, OSD marketing manager.

"Most large companies simply don't have the expertise or resources to manage their PC systems and applications," she says. "HP has established and managed a common operating environment for years; we're in a very strong position to help our customers manage their desktops as well."

"The real strength of HP service and support is the array of services we have to help customers over the entire life cycle of their programs," Ann Livermore adds. "We have all the pieces in place and can deliver them to the customer not as a collection of services, but as a fully integrated solution that meets their needs." **M**

*(David Barnes works in the PR department at HP's Worldwide Customer Support Operations. Jill Dunkin of OSD's sales models and programs team contributed to this article.—Editor)*



Bigger than ever before, a computer-generated Mickey Mouse puzzle covers half of the Los Angeles Coliseum's playing field. LONG PHOTOGRAPHY

# Puzzle-ing over a world record

HP teams up with Disney to provide an unforgettable glimpse into an imaginative world of printing.

LOS ANGELES, California—Hey, there! Hi, there! Ho, there! You might hear the news trumpeted around the Magic Kingdom in the coming months: HP and Disney Interactive are listed in the *Guinness Book of Records*.

HP and Disney Interactive created the world's largest computer-generated puzzle by printing 2,000 recyclable puzzle pieces on HP DeskJet and DesignJet printers in 1,680 hours. The puzzle pieces, assembled by 700 elementary school children, their parents and teachers at the Los Angeles Coliseum, measured approximately 27,000 square feet.

Besides its size, a distinguishing feature of the puzzle was the 106-foot-wide and 133-foot-long image of the world's most illustrious rodent: Mickey Mouse.

"HP and Disney are attempting to create a whole new entry, not break an existing record," says Monique Garcia, HP's account executive at PR agency Porter/Novelli, who coordinated the Coliseum event for the HP client group—Hardcopy Marketing.

If Guinness acknowledges their accomplishment, HP and Disney Interactive soon will be proud owners of a world record. **M**

—Grace Razo

*(Grace Razo, a Santa Clara (California) University student majoring in journalism, was a 1996 MEASURE summer intern.—Editor)*

# Coming home to Ireland

by Joan Tharp

LEIXLIP, County Kildare, Ireland—In 1988, HP Ireland's Finbar Gallagher followed an old Irish tradition—he left his country seeking a better life.

At the time, the country was slumped in an economic depression and jobs were evaporating by the thousands. "Ireland just seemed to be hanging on by its fingers," Finbar recalls. "I wondered if we should just shut down and sell the country."

Since the infamous potato famine of the mid-1800s, when 1.5 million people emigrated to keep from starving, the offspring of this lush island have poured from its shores.

But Ireland's children are staying put or coming back home as "the Celtic Tiger," as some have dubbed Ireland, lets out an economic roar. The economy broke loose after the government slashed expenditures in the late 1980s, and today, with a 7 percent annual growth rate, it far outpaces Europe's overall rate of 2 percent.

Not everything is rosy, of course. Unemployment is still dizzily high at 16 percent, and the country's rebirth hasn't touched much of the far West.

But around Dublin's city center, shops and restaurants buzz at lunchtime, and after work the always-raucous pubs are packed with well-suited professionals hefting pints of dark, creamy-topped Guinness, the national brew.

Walk into HP's newest inkjet-cartridge plant—the Dublin Inkjet



above

Finbar Gallagher (left), process engineering manager, and Marie Byrne, process operator, check the status of an inkjet pen line.

right

Within days of being hired by DIMO, technical training coordinator Noel Farrell, his wife, Elizabeth, and their three children were off to Corvallis, Oregon, for Noel's six-month training on inkjet production lines. Here, back home, Noel and Noel Jr. play catch while Elizabeth, Vicky and Ryan find another way to enjoy the fine weather.



# Ireland

Manufacturing Operation (DIMO)—and you're blasted by the energy and enthusiasm of the young (mid-20s) workforce. Some of DIMO's 600 employees have begun moving out of temporary quarters near Dublin and into a newly built 460,000-square-foot (43,000-square-metre) facility on a 200-acre site in the town of Leixlip, County Kildare, six miles northwest of Dublin.

When the plant is completed in early 1997, 12 pen-assembly lines will run 24 hours a day. For now, a few lines are up; most of the operation runs out of the temporary plant.

Construction soon will begin on a second building—for printhead manufacturing—which will open in early 1998. By 1999, with a projected employment of 2,000, DIMO is expected to be the largest of HP's five inkjet-supplies factories.

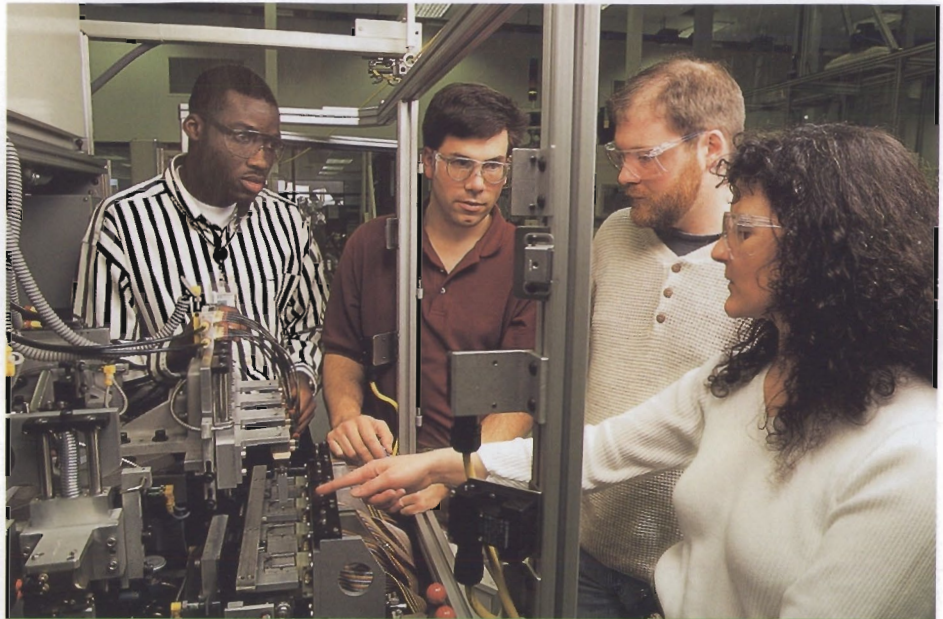
Like HP employees everywhere, making a contribution to HP matters a lot to DIMO's workforce. But even more so, they want the operation to be a living testimony to the new Ireland. Says DIMO Operations Manager Dave Young, "Their pride in what they might be able to do for Ireland is beyond what most people would understand."

The spotlight on DIMO is so bright, with so many people expecting so much, that it's a wonder the neighbors in Leixlip can sleep at night. To the Irish government, which worked for 18 years to land an HP plant, DIMO is much more than revenue and employment—it validates Ireland as a good place to do business.

To the town of Leixlip, DIMO means jobs and the possibility of donations, scholarships and volun-

right

Across the highway from the new DIMO plant in Leixlip sits "The Wonderful Barn," a grain-storage barn built in the mid-18th century to provide jobs and an income for local residents after a severe winter destroyed their crops.



RICH IWASAKI

The only way to get DIMO up to speed quickly was to immerse its engineers, technicians and operators in hands-on training. Here, (from left to right) IJBU Corvallis process engineers Yemi Lalude and David Erickson, and newly hired DIMO process engineers Bill Andrews and Deirdre Sharkey, discuss inkjet manufacturing processes.

## I'm going where?

Many of the DIMO engineers, technicians and operators who trained in Corvallis, Oregon, had never been to the United States, and they naturally had a lot of questions for Relocation Specialist Paula Fay: What are the apartments like? (Few Irish live in apartments.) What should I bring for the kids? Is it as violent as I hear, and are children frequently kidnapped?

After a bit of nervousness and disorientation, DIMO employees and their families adjusted quickly, even to driving on the "wrong" side of the road. Oh, sure, there were a few speeding tickets in Corvallis ("Why do Americans have such big cars and such slow speed limits?")

and a couple of complaints about loud parties ("I'm sorry, I'm Irish; we don't have people living over our heads."). And last winter's floods in the Northwest were tough for even the rain-resistant Irish.

But there was a lot to like about Corvallis. It's safe, has great playgrounds for the kids, and food and clothing are a lot cheaper than in Ireland. (There was a run on Levi's and outfits for the kids before departure day.)

Corvallis even has a couple of decent bars for a self-respecting Irishman, including The Peacock, a college-student hangout that stays open late.





teers. "I will be hopin' that the community will be helped, too," says Leixlip Town Commissioner Theresa Byrne, who sits on DIMO's community advisory council.

To HP, DIMO is crucial for meeting the huge customer demand for inkjet pens. Every two seconds another inkjet printer is born, joining the more than 35 million at work around the world, all wailing to be fed. Comments Dave Young, "A lot is riding on this factory. If we hiccup at all..."

The urgent need for pens got DIMO up and running in record time. Within 15 months, DIMO went from being a handful of employees, a reception desk and a sofa, to more than 300

## Keeping the HP Way alive

To make sure HP's culture is instilled in the new and rapidly growing DIMO, an HP Way team was created early on. Team members, representing different areas of the organization, teach and serve as role models of how HP people behave and get things done.

At a recent meeting, the team discussed the need to strengthen the HP Way part of new-hire training and the importance of MBWA, or "management by walk about" as it's known at DIMO.

Noel Farrell, technical training coordinator in production and formerly a DIMO technician, joined the HP Way team while in training in Corvallis last year. "When I first heard about the HP Way, I said, 'There's no way a company can work like this.' But then I saw it working and heard it in what managers said, and it made me curious to see how it worked. So I signed up."

# Ireland

employees, two production lines and its first shipment of 100,000 pens.

To meet its ambitious production targets, DIMO sent hundreds of engineers, technicians and operators to InkJet Business Unit production sites in Corvallis, Oregon, and San Diego, California, where they were immersed for months in courses and hands-on training on the complex and highly automated production lines.

For many, "Congratulations, you've got the job!" was followed by, "Can you pick up your visa and airline tickets tomorrow?"

As HP continues to recruit aggressively, including appeals to expatriates, it gets some help from a singularly motivated force—Irish mothers who want their kids to stay or come back home. Dave Young gets handwritten letters from mothers asking about jobs for their kids. One resourceful mom tracked down HP Ireland Country Manager Brian Kennan by phone at the news conference on the plant and asked whether her son, a student in Scotland, should come home now and apply for a job.

As this morning's shift nears the end of its day, a tall engineer strides from line to line. Because of DIMO, Ireland has reclaimed yet another son—Finbar Gallagher. He came back to where he wants to raise a family and where he can make the kind of professional and social impact few of us get the chance to exert.

"What we do here as engineers and technicians will have a significant



impact because the country's so small. And the HP Way of running a business will really affect people's expectations of how business should be done. So, it's like providing Ireland with a master's program in industrial development," Finbar says.

"Thirty years from now, when hopefully this is a rich and prosperous country, I can look back and say, 'I helped do that,'" he adds. **M**

above

**DIMO test operator Frances Richardson checks the quality of the printing from the latest batch of inkjet pens.**

## HP in Ireland

- Sales office opened in 1977
- 600 employees; 2,000 by 1999
- Manufacturing and assembly in Dublin area; sales offices in Dublin, Cork and Limerick
- Sales growth average of 42 percent a year for the last eight years

## Guilty as charged

In your "ethics" story in the July-August *MEASURE*, you say "Any second job, including...is a conflict of interest..." This, in my opinion, leaves the wrong impression with the reader. A second job has the potential of creating conflicts of interest only under certain conditions. A second job is not automatically a conflict of interest.

FRANS WATERLANDER  
Vancouver, Washington

*We are guilty as charged, Frans. Hal Mickelson's statement to MEASURE was, "Any second job—including consulting—for an HP customer, supplier or competitor is a conflict of interest." MEASURE's revision of Hal's punctuation resulted in a meaning different than the one he intended.—Editor*

In the "Speeding in the Dilbert zone" article, I read that it's wrong to "cut out a cartoon and put it outside your cubicle..." My understanding of the copyright law is that if I have a legally printed piece of paper, I can do just about anything I wish with it as long as I don't make a copy of it.

Why does sticking this piece of paper on the wall where others can read it exceed the bounds of legality?

RICH WILSON  
Everett, Washington

*You're right, Rich. You can cut out and post it, but not copy it. We goofed. Actually, we caught and corrected this error, but the correction inadvertently didn't make it into the final article.—Editor*

## You missed the mark

I just picked up *MEASURE* and glanced through it. I must say I was

surprised to learn that HP considers me a "money-sucking-briefcase-toting leech."

If this was an attempt to improve the working relationship with vendors and contractors, I think you missed the mark.

ED DWYER  
Santa Clara, California

*MEASURE used examples from the wildly popular Dilbert cartoon strip to bring a lighter touch to the very serious topic of business ethics in our July-August edition. Although the cartoons clearly are satirical, I'm sorry if you or others were offended.—Editor*

## An equitable solution

When I first heard about the plan to revise the profit-sharing formula, I was very concerned. After reading the article by Lew Platt in the July-August *MEASURE*, it is easy to understand why a change is needed.

Having looked at the graph of the profit-sharing history, I don't know why it should be so hard to change the formula. The information seems to indicate a simple solution: Tie profit-sharing to the percentage of net profits, make it the same or somewhere between 1 to 2 percent below the net profits.

I'm only a level 92 production group worker right now, so this is only the "small man's" opinion, but I think it would be an equitable and easy solution to the problem that most people could accept.

ANDREW BRUSTKERN  
Spokane, Washington

## How many billion?

I couldn't believe my eyes while reading the last *MEASURE*. In the soccer

article ("A match made in heaven"), it mentioned that over 37 billion (with a "b") would be watching. That was compared with only 19 billion watching the Olympics.

Now, it didn't say people. So, I got to wondering who or what else is watching? I know it can't be just people because the entire human population of the Earth (even if they all had televisions) is nowhere near 19 or 37 billion.

Does NBC know that other beings are watching? If so, did they increase their advertising prices to take advantage of this huge audience?

RALPH KOTOSKI  
Englewood, Colorado

*Take another look, Ralph; the article said 37 billion and 19 billion viewers. Every time someone watches a soccer game in person or on TV, that's one viewer. When you consider how popular soccer is worldwide (16 million games sanctioned by The Federation Internationale de Football Association), the 37 billion number is still huge, but within the realm of possibility.—Editor*

## Please send mail

Do you have comments about something in *MEASURE*? Send us your thoughts. If we publish your letter, you'll receive a *MEASURE* T-shirt (one size fits most).

Send your comments to Editor Jay Coleman (the fax number and address are on page 3). Please limit your letter to about 150 words, sign your name and give your location. We reserve the right to edit letters.

# Leading the climb

*(Editor's note: Shirley Gilbert, communications manager for HP's Computer Systems Organization, first interviewed Dr. Arlene Blum (pronounced Bloom) in 1978. Arlene was packing up 10,000 pounds of equipment in a Quonset hut on HP property in Palo Alto, California, almost lost amid the mountains of dried apricots, tangled ropes, Alpine sweaters—everything you need for a great climbing adventure.*

*Arlene completed the adventure. She led 10 women to the summit of Annapurna I, the world's 10th-highest mountain, and wrote a book about the experience.*

*Now, 18 years and 15 mountaineering expeditions later, Shirley interviewed Arlene again—this time on the Cupertino, California, site, where Arlene presented one of the leadership workshops she developed for HP.*

*Arlene's current passion is sharing what she has learned leading Himalayan mountaineering expeditions to help people reach their full potential in the workplace.)*

**Q: What has mountain climbing taught you about leadership?**

**A:** I learned that a group of ordinary people, when they share a vision, can take on an incredible challenge and do things they never dreamed possible. This is true in climbing mountains or achieving business goals. If you can get a clear picture of your goal—really see it, feel it, taste it—then I'm convinced you can make it happen...in the Himalayas or in your cubicle at work. HP employees at all levels can use the same leadership skills it takes to lead an expedition to make their organization more effective and their lives more satisfying.

**Q: Annapurna was certainly your most challenging climb. What were some of the highs and lows, and what did they teach you about leadership?**

**A:** The highest high was just getting there. We had to raise \$80,000. There was, at that time, a common belief that women couldn't climb the world's highest peaks. We weren't even sure ourselves that we could do it. But we had this terrific dream. And, step by step, we were able to make our amazing dream a reality.

Thousands contributed to our climb; thousands believed in us; and we felt their support all along the way. So there was joy in that. And joy every time we reached another plateau,

established another camp. We learned that, with a shared vision and working together, we can achieve extraordinary goals.

There were also many lows. We encountered storms, avalanches—our Sherpa guides even threatened to leave. And, of course, the bleakest moment of all was when we lost teammates Vera Watson and Alison Chadwick-Onyszkiewicz on the second summit attempt. That tragic experience cast long shadows in our lives for quite awhile. We learned that holding on to those wonderful moments of success that led to the summit could help us through the inevitable lows.

**Q: What is your definition of great leadership?**

**A:** Happiness, according to the ancient Greeks, is full use of your capabilities to achieve excellence. I think a great leader is someone who mobilizes those capabilities.

**Q: Are leadership skills only for leaders in HP?**

**A:** No. Each of us has a job that needs to get done, and we must mobilize others to do it. I think everyone has leadership skills that can be developed. We can all learn to use our leadership abilities to achieve excellence, innovation and uncommon results.



If you can get a clear picture of your goal, you can climb mountains and achieve your business goals, says consultant Dr. Arlene Blum.

**Q: You have worked with HP for some time now, Arlene. What's our leadership report card?**

**A:** Let's look at some of the leadership skills that participants learn in my "*Climbing Your Own Everests*" workshops.

First, there's the ability to **inspire a shared vision**. HP people are wonderful at creating visions, but find it harder to share the vision with others and get buy-in. That's really the toughest part of the process, but necessary to make the vision a reality.

Next, there's the skill of **challenging the established way of doing things**. HP employees and managers are excellent at looking for opportunities to innovate. You create fantastic new products and technologies. But taking risks seems to make you a little uncomfortable. As HP employees, you tend to be critical of yourselves and are often reluctant to give a critical analysis of a colleague's idea.

Skilled leaders **model the way for others** with a set of solid values. HP gets a higher rating in terms of values than any other company I work with. I have found the people at HP to be uncompromising in their integrity and honesty. It's part of the legacy from founders Bill Hewlett and Dave Packard, and one of the reasons you're so successful.

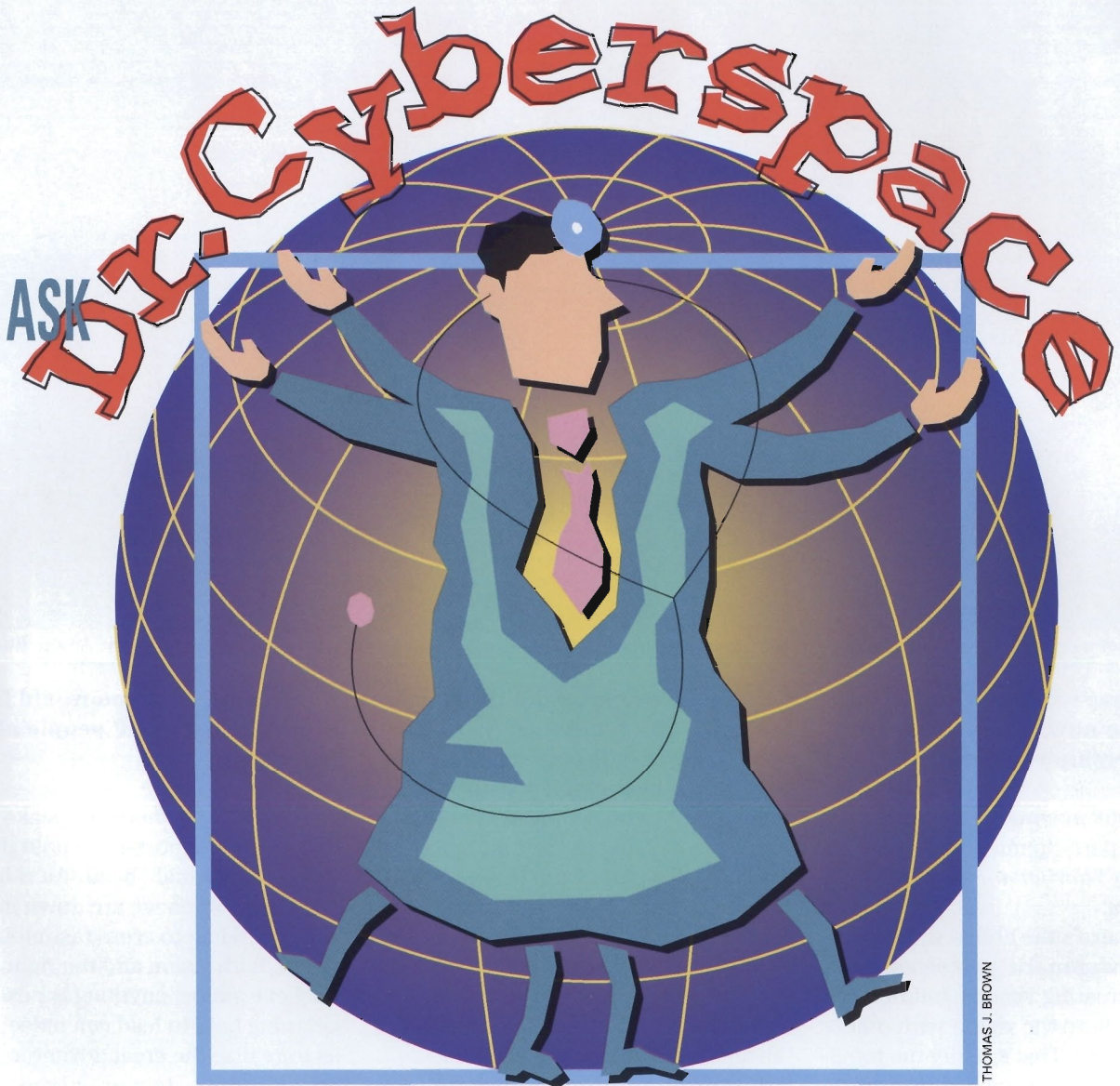
**Enabling others to act** is an important leadership trait. This is all about teamwork and listening. HP managers and employees are extremely good at creating a team environment, sharing information, and building trust and ownership. I believe some of you could use help with active-listening skills. We tend to talk a lot and not listen as much. But good listening is central to good leadership.

Finally, there's the important ability to **celebrate achievements** and congratulate each other on a job well done. HP does this better than most companies.

**Q: Anything else you would like to pass along to HP people about leadership?**

**A:** For all of us, there are peaks and valleys. It is important to hold the feeling of the high, beautiful ridges in our hearts when we are down in the valley needing to cross fast-moving rivers. With vision and the right skills, I believe almost anything is possible. Learning how to lead can indeed help us to realize the great adventures we dream about. **M**

*(If you would like to learn more about Arlene's ideas on leadership, you can contact her electronically at [Arleneblum@aol.com](mailto:Arleneblum@aol.com).)*



**E** Every time I go for a cruise in cyberspace, I'm amazed. In just a short period of time, the world has built a powerful information resource and communications network that is truly beyond belief. Like many modern medicines on the market today, the Web is powerful, it can be addicting and, unfortunately, it

is often slow-acting. But if you're into variety, it's all there.

Where have you been in the two months since we last got together? Well, let me tell you about a cool site that I've discovered.

If you're into parts, there's no better place to read all about them than on the HP Procurement department's Web site. HP product designers and materials engineers from around the world are visiting <http://hppweb>.

[corp.hp.com](http://corp.hp.com) at the rate of about 4,000 per month. There they have access to everything they need to know about part specifications (electrical and mechanical characteristics, manufacturers' part numbers, preferred suppliers, customs codes, etc.). Since materials costs account for more than two-thirds of the cost of sales for most HP products, this site—

if used regularly by all the right people—could save HP big money.

Mountain View's Robin Griffith writes to thank me for mentioning the Web site for the HP Women's INFORMATION forum in the last column, but points out that I originally failed to capitalize the "N" in "information." The capital is important because it makes the organization's abbreviation HPWIN.

"What's up with HP's Internet access costs?" asks one reader, questioning the sanity of the numbers I presented in the last column (from 50 cents to \$10 per page). "What kind of infrastructure network does HP have???" I have a 24-hour, 7-day connection to the Net at home with unlimited hours and downloading for \$19.95 per month! I download many megs of data for no extra charge. Sounds like HP needs to find a new way of providing the Internet to employees."

Well, ordering Internet service for 110,000 people isn't quite the same as ordering home service. There's a lot more included in HP's cost than simply putting the latest version of Netscape on your PC and calling a local service provider and saying "hook me up." I haven't seen your setup at home, but my guess is that you probably don't have routers, site software license fees and around-the-clock support costs to contend with. And if your \$19.95 per month outlay also includes a high-speed ISDN connection (or faster) into your house and back-up power generators for use in the next blackout, sign me up for a guided tour of your home-computer shrine.

I'll admit that I screwed up by comparing an overhead-inclusive cost for Internet service at HP with the toll-charge-only cost of a long-distance phone call. That's apples and oranges.

## **I**s the doctor in?

One reader from Corvallis called *MEASURE's* editor to ask how to send stuff to me. Seems my Internet mailing address at the end of the column last time wasn't quite enough to help.

So here's a primer with three ways to send me e-mail.

### **From cc:Mail**

Click on the PREPARE icon. Before you start typing in the TO: field, click on the ADDRESS button to its left. Then double-click on the <Any Name or Post Office> entry in the directory list to the right. You'll reach a Post Office Addressing box that allows you to send messages to anyone (inside or outside of HP) with an Internet address. What you need to enter is **DoctorC(doctore@hp.com)/HP-Unix** and click on OK. That should slam you back to the familiar spot in cc:Mail, where you can start typing the body of your message.

If you look at the cost of an HP phone call including the switches, the wiring, the voice mail, the support people, it would probably scare you away from ever picking up the receiver.

But the point of the comparison, regardless of the exact numbers, is still valid: the Internet is not free. Not at home, not at work. And while most HP people behave responsibly, there are quite a few others who either don't know about the costs (the uninformed) or don't care about them (the insensitive). I know my last column

**From Netscape** (in case you're surfing and you find something you really must share with me)

Click on File, Mail Document. Fill in my e-mail address—**doctore@hp.com**—in the Mail To field. TAB down to the TEXT section and start typing the message. Hit the SEND button when you're done.

And there's a brand new way to get in touch, too. Come visit the doctor's virtual clinic on HP's intranet. We're open for business at <http://hpweb.corp.hp.com/Publish/cc/doctore>. Once you've arrived at my office, you'll be able to send me a message, read my top 10 lists, browse through my surfing tips and have some fun at the same time. The door is always open, though I'm rarely there (just like a real doctor, huh?).

After you've visited the site, drop me a note and let me know what you think. I'll be waiting for your message.

raised some eyebrows and created a conversation in the HP forum.

And I heard directly from Santa Rosa's Keith Anderson and Tom Lalli. They both realized that my cost estimates of 50 cents to \$10 per page are "fully loaded costs." Tom teaches a Netscape class there and wants to be able to explain to his students that the Web can be useful as a research and communication tool. And he wants to teach them responsible Web use. Keep up the good work, Tom.

That's it for now, but feel free to drop by my new clinic (see above) any time. **M**

# Citizenship on a personal level

An HP employee decides to take action and help his community in a variety of ways.

By Kathy Rogers

ANDOVER, Massachusetts—For years, Dan Thibault did all the things a good citizen should do. He paid his taxes. He voted. He could even name the people on the town council.

Then one day, Dan decided he could be an even better citizen.

"I was at my daughter's school when I ran into some people who explained the McGruff House program to me," says Dan, a 15-year HP veteran who works in the finance department at the Medical Products Group in Andover.

A McGruff House is a safe haven for children who find themselves in emergency or frightening situations, such as being bullied, followed or hurt. Houses are marked with a picture of McGruff the Crime Dog, a well-known children's figure in the United States and an advocate for children's safety.

"I thought the program sounded like a great idea, so I volunteered to help," Dan says. He also sought HP's help with the McGruff House program. HP donated money to buy thousands of McGruff book covers that list ways children can protect themselves. McGruff House was the spark that ignited Dan's enthusiasm in his community.

One day while driving home from work, Dan came upon his next opportunity to get involved. "I saw a bunch of small kids on bikes. Some of the kids weren't wearing helmets. I would hate to hear of one of these kids getting a head injury when it could be avoided," he says. Dan, who lives in Methuen, Massachusetts, with his wife, Diane, and daughter, Kara, went to the community policing program—a program to link citizens and police to create a safer town—to see if there was something he could do.

With the help of community police officers, Dan solicited enough donations to buy more than 1,300 coupons for ice cream, go-cart rides and other treats for children. Dan created the coupons on his home computer, an HP Vectra PC. When patrolling a neighborhood, if police see a child wearing a helmet while bike-riding, a patrol officer gives the child a coupon.

Not only did the coupons encourage children to wear helmets while bike-riding; they also helped police officers achieve their community policing goals of getting to know more people, establishing relationships with preteenagers and promoting public safety.

"I like to think it made a difference," Dan says. "If just one child doesn't get hurt from riding his or her bike without a helmet, it was all worth it."

With a couple of successes under his belt, Dan went on to join the Public Safety Commission, a board created by the city council to act as a liaison between residents and police. It helps citizens organize neighborhood crime-watch groups and gets speakers for neighborhood crime-watch meetings. The commission also produces two television programs: *Public Safety Today* and *COPS* (Community Oriented Policing Series).

Perhaps the most-publicized effort he was involved with was the devastating fire that nearly destroyed Malden Mills





HP's Dan Thibault visits a "safe house" where Methuen, Massachusetts, Vice President of Public Safety Susanne Smith and police officer Kevin Martin talk with a young boy named Andrew.

in December 1995. Thousands of lives were affected when a blaze destroyed three of the textile manufacturer's four mill buildings, forcing the company to close just before the holiday season.

Dan and countless others flocked to the inferno to serve coffee and food to exhausted firefighters, whose faces and masks were covered with icicles due to frigid temperatures and ferocious winds. Dan spent 76 hours in a four-day period helping at the fire scene and supporting fire victims.

"I left work on Tuesday morning and didn't return until Monday," he says. "HP was fantastic, allowing me to help during work hours."

HP also showed its support by donating money and equipment to relief efforts. "One call to HP set the wheels in motion," Dan says. "It seemed like only minutes had passed when HP employees were on-site installing PCs, a fax machine, a printer, power supply and modem."

Dan and other volunteers used the equipment to ease communications between city hall and other local agen-

cies, track volunteers and donations, and create informational flyers for citizens in need. "It's unfortunate that a disaster such as this occurred, but it's encouraging to know that HP cares enough about the community to help those in need," Dan adds.

In his "free" time, Dan is involved in the school council and is a member of the Parent-Teacher Association. He looks forward to starting a student council at the local elementary school, expanding the McGruff House program and creating a self-protection class for kids. Until then, Dan certainly has plenty to keep himself busy. **M**

*(Kathy Rogers works in the communications department at the Medical Products Group in Andover, Massachusetts. —Editor)*

HP's chairman, president and CEO outlines the company Hoshins and Business Fundamentals for fiscal year 1997.



Fujio Mitarai, president and representative director of Canon, Inc., and Lew unveil a decorative rock outside Lew's office that commemorates the 20 millionth printer produced since the Canon/HP relationship began. Canon produces engines for HP LaserJet printers.

**N**ovember 1, 1996, marks the start of HP's fiscal year 1997 (FY97), and I want to give you a quick look at HP's Hoshins and Business Fundamentals for FY97.

First, some definitions and one very important correction:

Hoshins are the goals that require breakthrough thinking and tremendous, multi-year efforts. Business Fundamentals are reasonably under control, but require continuous attention, measurement and improvement.

I want to correct the notion that Hoshins stand above Business Fundamentals. Actually, they're equally important; it's just that Hoshins take more time and creativity to resolve.

It's also critical that you understand how Hoshins and Business Fundamentals flow from the CEO's office through the company. I don't believe any organization in HP today is in such good shape that it can ignore our two Hoshins—Our People and Our Customers.

However, we give our businesses some flexibility in deciding priorities. For some, a Business Fundamental

could be changed to a Hoshin to signify that breakthrough thinking is needed. And other businesses will add Business Fundamentals that you won't see on the companywide list (on page 27). That's perfectly acceptable.

Your management can explain your Hoshins and Business Fundamentals in detail, so let me focus the rest of this message on our two FY97 companywide Hoshins—both carryovers from FY96:

**1. Our Customers.** This is an area that keeps me awake nights. A year ago, I emphasized the need to improve our Customer Satisfaction. Now we're focusing on measuring and achieving customer satisfaction and loyalty. Loyalty is a deeper level of commitment than satisfaction. It probes issues such as: Will our customers buy from us again? Will they recommend us to a friend? Will they stick with us, even when our products aren't quite on the leading edge? Will they give us a chance at all of their new business?

The other aspect we're focusing on for the "customer" Hoshin is **order fulfillment**. This is one of the broad-

est customer dissatisfiers across the company. We've worked for several years developing new systems and processes to address our order-fulfillment problems. In FY97 we should start seeing some payoff from some very large investments.

**2. Our People.** Our employees represent our only sustainable competitive advantage. You can't achieve long-term business success unless you hire the best people, retain them and create an environment that fosters their creativity and development. In this regard, there are four parts to the "people" Hoshin:

• **An injury-free environment.**

This is new, moved over from the Business Fundamentals list, where it has been for three years. As a company, we've made virtually no progress in reducing our injury rates, which are very high compared both to industry averages and to our peers. This is unacceptable; good employers do everything they can to prevent their people from getting hurt.

• **Diversity.** We've made some good progress bringing women into functional- and general-management jobs in the United States. Progress has been much slower outside the United

States. We also haven't made nearly enough progress bringing minorities into senior-management jobs. My commitment to this objective is unshakable.

• **Development.** It's essential that we develop our people in order to foster employee satisfaction and to achieve business objectives. And yet, a significant portion of employees don't have current career-development plans. We need development plans tied to business objectives for all employees.

• **Managing work/life demands.** One way we can gain a competitive edge as the "employer of choice" is to give our people the flexibility they need to manage work and other life demands. We need to work very creatively in this area.

Now you know the two HP Hoshins and 11 Business Fundamentals for FY97. And you may be thinking, "How can we focus on 13 or more important things?" One of the most insightful lessons I've learned in my management career is that excellent organizations tend to do most things well.

Does that describe your organization? If not, how can you help your business improve? Your management team will tell you more about your organization's FY97 Hoshin and Business Fundamentals goals.

If we all pay attention to our priorities, we'll continue HP's tradition of excellence.

## 1997 Business Fundamentals

**1. Revenue growth.** Goal: Each business organization or group meets its revenue growth target.

**2. Net profit.** Goal: Each business organization or group meets its net profit percentage target.

**3. Return on assets (ROA).** Goal: Business organizations meet their ROA targets.

**4. Inventory-to-sales ratio.** Goal: Each business organization or group meets its inventory-to-sales ratio.

**5. Accounts-receivable-to-sales ratio.** Goal: Each business organization or group meets its accounts-receivable-to-sales-ratio target.

**6. U.S. Minority business program.** Goal: Each business, field and Corporate entity sets and meets a minimum-percentage award of 7 percent and a dollar-improvement goal.

**7. Product reliability.** Goal: Each business organization or group sets and meets goals for

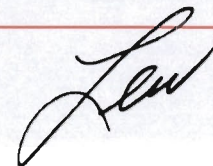
improving failure rates of HP hardware and software products, as well as HP systems and/or support services.

**8. On-time performance reviews and developments plans.** Goal: 100 percent of all performance evaluations and development plans completed on-time annually.

**9. Worldwide employee-survey results.** Goal: Businesses, geographic operations and Corporate entities maintain, improve or exceed country norms for employee-survey results.

**10. Worldwide business-controls assessments.** Goal: 100 percent of an organization's entities achieve an overall acceptable business-controls rating on internal audit evaluations.

**11. Worldwide environmental health and safety (EHS).** Goal: 100 percent of audited sites receive at least a 90 percent score on "meets" EHS standards.



Compiled and written  
by Tena Lessor and Grace Razo.

## HP's own Olympic winners

ATLANTA, Georgia—Sprinkled throughout the venues of the 1996 centennial Olympic Games, Atlanta-area HP employees volunteered their time to help make the Olympics a success in their hometown and cheered two children of HP employees to the medal stand.

Approximately 200 HP employees, filled with the Olympic spirit, worked the two weeks of competition in July and August. The majority volunteered within the concession stands, but a few worked in the various sporting venues.

Among the volunteers were Jim Murrin, a line judge for the badminton competition, and Tracy Clifton, an usher for tennis. Tracy Castillo greeted dignitaries as a protocol officer.

Two HP employees are proud parents of Olympic medalists. Swimmer Trina Jackson, daughter of Jacksonville, Florida, medical rep Harvey Jackson, won a gold medal as part of the U.S. women's 800-meter freestyle relay team. "We are just tickled to death with Trina's performance," Harvey says, and describes the total Olympic experience as fun, fun, fun!

Marc Schneider, son of John Schneider, a production manager at the Integrated Circuit Business Division in Corvallis, Oregon, rowed to a bronze medal along with his teammates on the U.S. men's lightweight rowing team. "A third place win was just phenomenal," says John, "and the response from family, friends and HP-ites



U.S. President Bill Clinton congratulates gold medalists Trina Jackson (left), daughter of HP employee Harvey Jackson, and relay teammate Cristina Teuscher during the 1996 Olympic Games.

couldn't have been any better if it were a gold medal."

For Harvey and John the experience is indescribable, and the HP volunteers second that feeling.

For the seventh consecutive summer Olympic Games, officials relied on

HP drug-testing gear to identify athletes who had taken banned performance-enhancing drugs. In Atlanta, five athletes using a banned substance called bromantan were nabbed by HP's sophisticated equipment.



Tracy Castillo



Tracy Clifton



Jim Murrin



Terry keeps his "de-lunching (motion-sickness) bag" handy during astronaut weightlessness training at the National Aeronautics and Space Administration.

## What's up, doc?

Eleven years after he won a scholarship through HP's Employee Scholarship Program, Terry Johnson has undergone a slight name change. In 1985, his name was just Terry. Today, he is Dr. Terrence Johnson.

Terry, the son of Jerry Johnson, an HP support account manager in Fullerton, California, has been a well-deserved scholarship recipient.

Terry graduated from the University of California at Riverside and did three years of research at the

Center for Molecular Genetics at UC-San Diego. After graduating with honors from New York Medical College in May, Terry was one of four graduates invited to the National Aeronautics and Space Administration as a flight surgeon candidate.

Currently, Terry is doing his residency at the Los Angeles County USC Medical Center specializing in categorical otorhinolaryngology surgery. Simply put, Terry's an ear, nose and throat surgeon.

## What a "Way" to celebrate

ST. LOUIS, Missouri—How do you pay tribute to an industry icon and revitalize long-standing values in just one week? Just ask the HP employees at the St. Louis sales office. They celebrated HP Way Week June 17–21 to remember co-founder Dave Packard and rekindle every employee's commitment to the HP Way.

The week was filled with activities, including guest-speaker presentations, an HP Way jigsaw puzzle and *JEOPARDY* contest, a scavenger hunt and essay contest.

Audrey Bryant, HP Way committee member, is pleased with how the week turned out. She says, "It was an exciting week, and everyone enjoyed themselves."

## Just grin and bear it

MISSISSAUGA, Ontario, Canada—"Hewy the Bear" wasn't hunting for picnic baskets when he showed up at the Telethon Teddy Bear Picnic on May 31, in Missis-



sauga, Ontario, Canada. Rather, Hewy's presence was in commemoration of HP Canada's 11th year of involvement with The Hospital for Sick Children Foundation's annual fundraising event.

Constructed of polyethylene foam, steel and lamb's wool, Hewy—Canada's largest teddy bear—stands an impressive 15 feet tall, weighs more than 100

pounds and has a formidable paw-span of nearly 17 feet. Hewy was commissioned by HP Canada for the foundation's annual telethon and dedicated at the picnic by HP Canada General Manager Dan Branda.

Young patients visit Hewy daily at The Hospital for Sick Children, where he has comfortably settled into his permanent home.



(From left) Audrey Bryant, Judith Evans and Ruby Johnson enjoy putting together a jigsaw puzzle during HP Way Week at HP's St. Louis, Missouri, sales office.

JAMES VISSER

DOUGLAS PECK



Young actors and actresses play a game to learn how to express themselves through body movements and facial expressions during the Shakespeare Camp held at HP's Cupertino site in August.

## To be or not to be

CUPERTINO, California—The sounds of Shakespearean poetry and rhyme filled the Redwood Grove park on HP's Cupertino site in August. Rowdy, yet literate, employees? No, it was a group of employees' children participating in a San Francisco Bay Area Shakespeare Camp.

HP helped sponsor the camp, which is an extension of the San Francisco Shakespeare Festival.

During the two-week camp, the young performers, ages 8 to 16, learned firsthand the various aspects of a theatrical production—voice and movement, acting and costume and set design. They showed their stuff in a free performance for family and friends on August 16.

The kids soak up things so quickly, observes camp manager Shaleece Haas, who adds, "They just have a really great time."

## CO CHART CHANGES

In the Computer Organization (CO):

Storage Systems Division-Boise, formerly part of the Information Storage Group within the Measurement Systems Organization, now reports to the Commercial Systems Business Unit within the Computer Systems Organization (CSO).

In the LaserJet Solutions Group (LSG), the former Integrated Network Solutions Operation has changed its name to Internet Solutions Operation to reflect a broadened charter... A new LaserJet Supplies Operation, headed by **Lyle Hurst**, has been formed within LSG's Color LaserJet and Consumables Division... **Laura Cory** to G.M., newly formed Hardcopy Consulting Organization.

In the Personal Information Products Group, a new Enterprise Net-server Operation has been formed within the Network Server Division. **Maria Cannon** is the operations manager.

With its move to Mountain View, California, Complementary Products Sunnyvale is now Computer Accessories and Supplies.

Within CSO's Order Fulfillment Group (OFG), the names of most locations have been standardized:

OFG Roseville (formerly SMDO-West), OFG Exeter (SMDO-East), OFG France (FMO), OFG Fort Collins (CIO-Fort Collins), OFG Puerto Rico (HPPR), OFG Japan (HCMO), OFG Böblingen (BCMO).

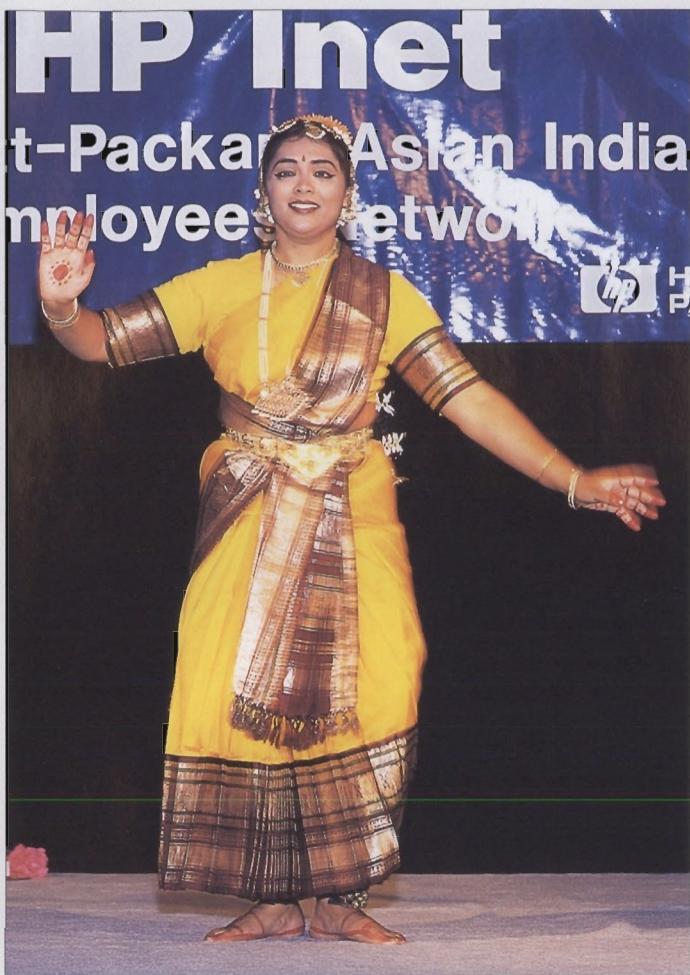
## CO SALES, CHANNELS

Effective November 1, CO sales and marketing will be aligned by market segment rather than organization.

The new segment sales organizations are Enterprise, under **Rick Justice** as G.M. of CSO Worldwide Sales and Marketing; Commercial, under **Keith Watson**; and Consumer, under **Pradeep Jotwani**.

They will report to their respective businesses and to **Alex Sozonoff** as CO sales and marketing manager.

Within CSO Worldwide Sales and Marketing, **Mario Fontana** to G.M., CSO Sales, Marketing and Professional Services for Europe/Middle East/Africa... **Clark Straw** to G.M., CSO's Worldwide Partners and Channels.



In exchange for a blessing, Sharada Bose, an HP software design engineer, performs a traditional Indian dance.

## A spirited kickoff

PALO ALTO, California—A celebratory spirit filled the Corporate Office auditorium as 270 HP employees gathered in June to inaugurate the newly chartered HP Asian Indian Employees Network (Inet).

As part of the inaugural ceremony, HP CEO Lew Platt delivered the keynote address, and co-founder Bill Hewlett sent his best wishes by videotape.

"Inet was only a vision in 1994," says Inet organizer

Surajit Sengupta, a technical consultant in the General Systems Division in Cupertino, California. "I realized a need for an organization that would help empower Indian employees in their career growth at HP." With the help of colleagues and executive sponsor Radha Basu, general manager of the International Software Operation, Surajit made that vision a reality by forming the chartered HP network.

## TMO CHANGES

TMO Worldwide Sales and Marketing has changed two charters:

- Test and Measurement Support Division will focus on instrument support.
- Consulting and Solution Services Division will provide system-uptime support and custom-system integration services, along with application support for TMO systems. **George Sparks** has been named general manager.

The Electronic Instruments Group (EIG), has a China Test and Measurement Operation, with **Ken Lodge** as the first G.M.

## NEW HATS

In EIG, **Jack Trautman** to G.M. of the Measurement Systems Division... **Roland Noz** to G.M., Korea Instrument Operation.

In the Automated Test Group, **Kamran Firooz** to G.M., Manufacturing Test Division.

**Badlisham Ghazali** to G.M. and managing director of HP Sales Malaysia, continuing as CSO country manager. **Doug Moore** to G.M. of the Direct Marketing Organization.

## GETTING TOGETHER

HP has acquired high-end graphics technologies from Division Group plc in Bristol, England, and hired its 25-person development team in North Carolina. It becomes the Chapel Hill Graphics Lab of the Workstation Systems Division.

HP has acquired certain assets of DP-TEK Development Company LLC in Wichita, Kansas, including digital print-resolution-enhancement technologies and patents as part of the Business LaserJet Division in Boise, Idaho.

## LETTING GO

The Disk Memory Division will cease operations in Boise, Idaho, and Penang, Malaysia, and HP will stop manufacturing disk-drive mechanisms. The Information Storage Group now will focus on the extended-storage market. The shutdown resulted in a special charge against earnings of some \$135 million in Q3 FY96.

China Hewlett-Packard has transferred China Hewlett-Packard (Shenzhen) Limited in southern China to Tokyo-based SMK.



**Seal it with a kiss**

KENYA, East Africa—In August 1992, Lorna Wolf, administrator at the Medical Field Support Center in Andover, Massachusetts, went on her sixth safari in Kenya. On an afternoon game run in the Masai Mara Game Reserve, she caught the gentle greeting of two elephants.

“I could see two herds approaching each other,” Lorna says. “I waited to see how they would handle the greeting.

“I watched the calf and adult elephant slowly go toward each other. When their trunks went out, I said to myself, ‘They’re going to

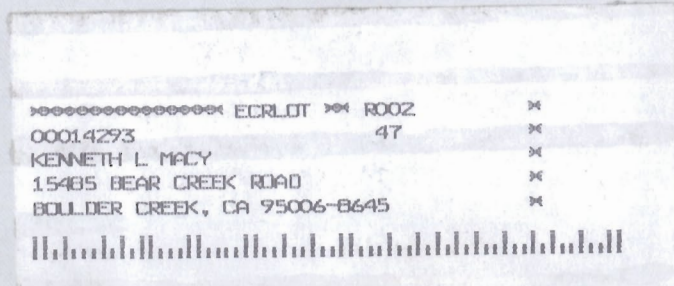
touch!’ I snapped and got the shot.”

When two herds of elephants cross paths, they engage in a ritualistic greeting ceremony, Lorna explains. This shot shows a very poignant view of just how elephants communicate, she says. **M**

**Correction:** Dan Sato’s name was misspelled and his Middlefield Road work site in Mountain View, California, was misidentified in the July-August MEASURE. We apologize for the errors.

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