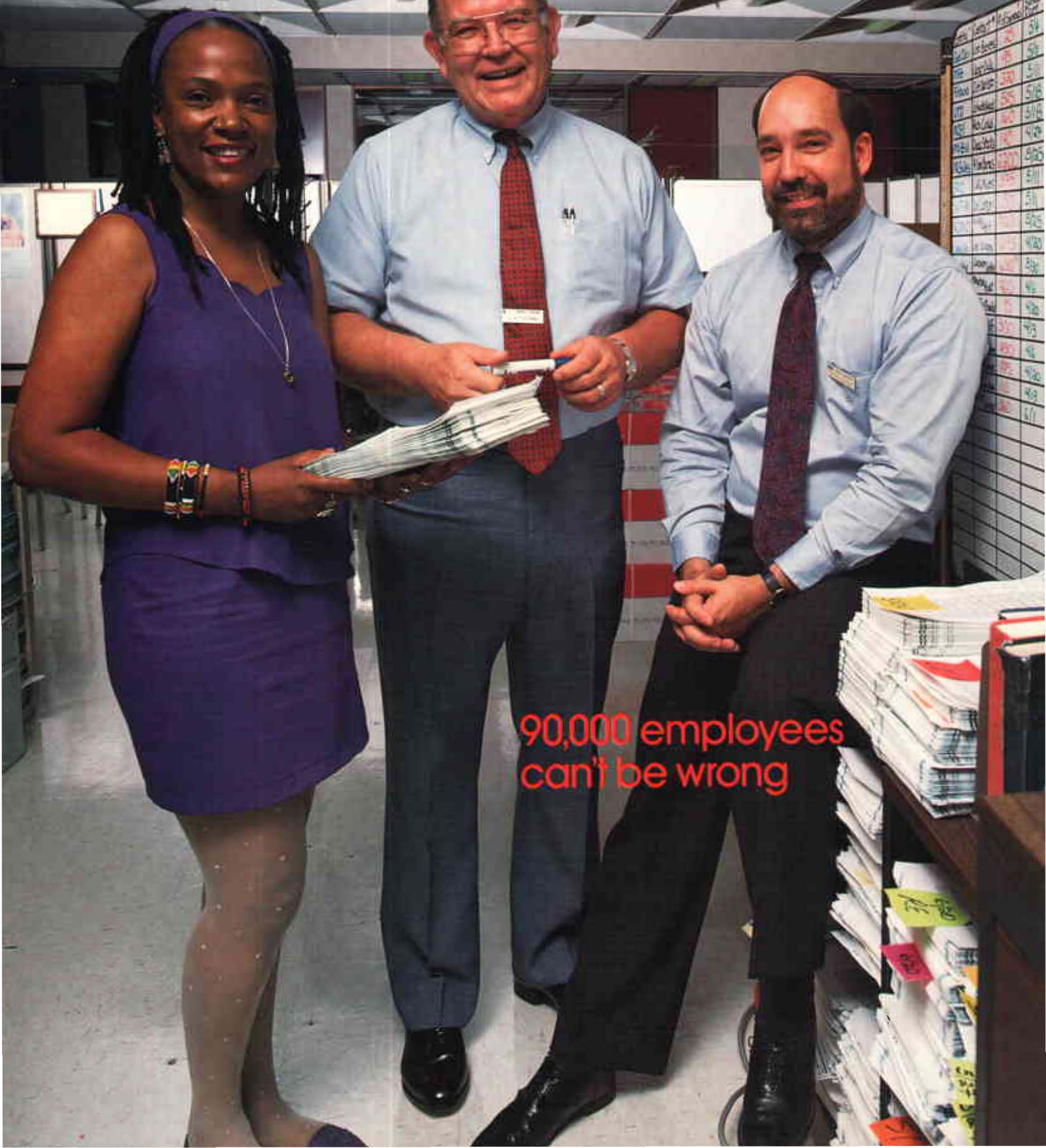


For the people of Hewlett-Packard

July-August 1992

# MEASURE



90,000 employees  
can't be wrong

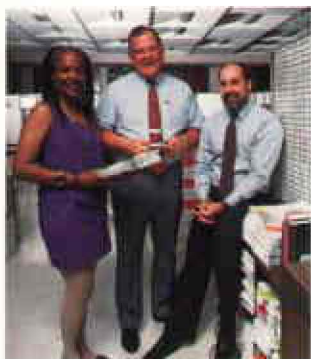




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**On the cover: The HP Employee Survey process—overseen by Jennifer Pittman, L.A. Fulgham and Peter Ulrich—is the primary way in which HP tracks the “climate” at entities worldwide. Cover photo by Jack Carroll.**

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**MEASURE**

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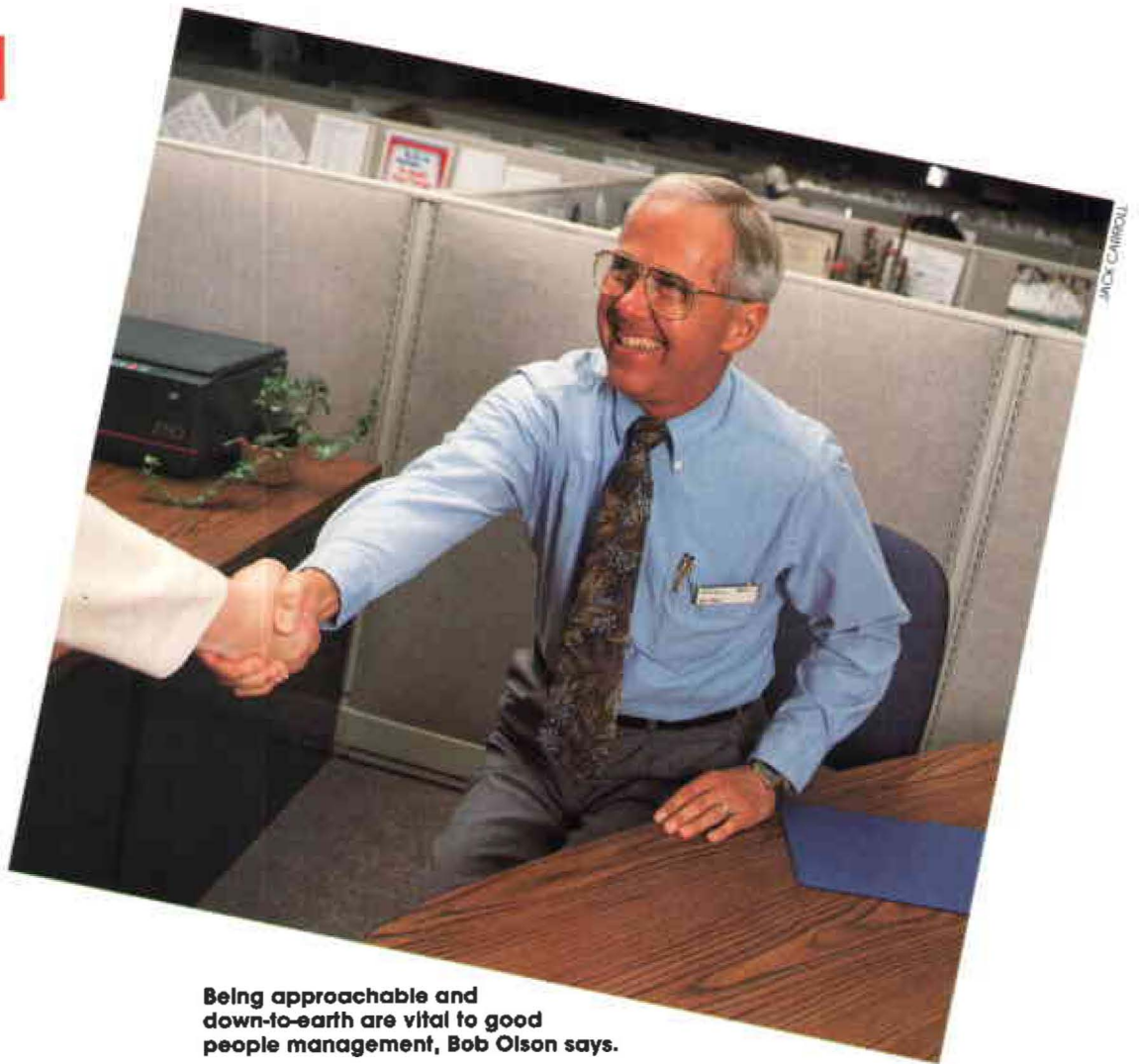
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MOVED LATELY? CHANGE OF ADDRESS SHOULD BE REPORTED TO YOUR PERSONNEL DEPARTMENT



Being approachable and down-to-earth are vital to good people management, Bob Olson says.

# Teeter-totters, introductions and the job from hell

*By Gregg Piburn*

Katherine Ingold had been with HP only eight days when a silver-haired man introduced himself and welcomed her to the company.

"What do you do?" said Katherine, a software application specialist for HP's North American Distribution Organization (NADO) in Santa Clara, California.

"Oh, I kind of run things," said the man, hesitantly.

"Do you run the computer?"

"Well, no," the man said. "I run this division."

That is how Katherine was introduced to NADO General Manager Bob Olson and his down-home leadership style.



# Teeter-totters

Although there are a few fundamentals to management, it is more of an art than a science, dependent on personalities and values rather than equations and formulas.

"Don't ever forget what it was like before you were a leader," is a guideline Bob learned from Ralph Lee, a retired HP executive vice president. Bob, who became site personnel manager at Roseville, California, in May, remembers that employees like to be welcomed to a new job. And Katherine will not soon forget how "approachable and down-to-earth" an HP general manager can be.

Even the best managers blow it sometimes. "I failed to adequately tell one of our managers once my perceptions of his performance," Bob says. "I hired someone to report above him, which

***"They were running a country club and forgot we were in business to make a profit..."***

shocked him. It was a communication fundamental, as basic as tying your shoes, and I missed it. I still think about it."

How important is "people leadership"? HP President and CEO John Young made it one of his Hoshin (break-through) objectives for 1992, "reaffirming the fundamental truth that managers are responsible for managing people."

Being a leader of people takes many forms.

Susan Simmons, manager of a consolidated personnel department in Waltham and Andover, Massachusetts,



**Maintaining a balance between business needs and people needs is the leadership challenge, says manager Dick Toftness.**

faced a formidable challenge in how to meld the two groups.

Susan was quick to get the two previously separate personnel functions working together on a common business strategy. But she soon realized "people had to get to know each other on a deeper basis" if they were to become an effective team.

"I looked for opportunities to build teamwork so that it could happen naturally," she says. Susan started sending invitations to her people at both sites for events celebrating births and marriages. A key event in the merger was a combined baby shower for two expecting parents (a woman from Andover and a man from Waltham) and everybody from both sites showed up.

When Dick Toftness thinks of leadership, he thinks of teeter-totters. Dick is manufacturing manager of the Manufacturing Test Division and Colorado Surface Mount Center, both in Loveland, Colorado.

On one side of Dick's teeter-totter are an entity's business needs. On the opposite end are people's needs. "My job is keeping that thing in balance," he says.

"Every manager who has worked for me and had problems somehow got

their teeter-totter out of balance. They were running a country club and forgot we were in business to make a profit—or they were so bottom-line oriented they forgot people are what make us successful."

During his 16-year HP career, Dick has become known as a manager who will tell it like it is and treat employees fairly.

A skilled production operator was asked to join Dick and his staff on a

***"It's not easy to find someone to interview for the 'I.T. job from hell.'"***

visit to a non-HP facility. On the plane, Dick was reading financial reports and explaining them to the operator.

"I found out later that the operator had told his co-workers how amazed he was that I had treated him just like anyone else," Dick says with a smile. "Sometimes I forget some of those 'little' things really make a difference."

From teeter-totters, we now go to I.T. (information technology) hell.

"Two years ago, we had a disaster on our hands," Bob Olson says of the I.T. department at the former Personal Computer Distribution Operation, whose employees had the lowest morale in the operation. "It's not easy to find someone to interview for the 'I.T. job from hell.'"

Enter Kathy Lee. After initial hesitancy, she applied for and got the I.T. manager job, reporting directly to Bob. Her

**Kathy Lee used her people skills and every tactic imaginable to bring the "information technology job from hell" under control.**



**FIRE**  
**EXTINGUISHER**  
↓



# Teeter-totters



**"Spread credit for everything that goes right" is a lesson Nancy Kerins of the Patient Care Monitoring Systems Business Unit learned early in her HP career.**

actions helped the group climb out of the corporate inferno. In the process she:

- Conducted one-on-one communication sessions with most of the 40 employees. "I asked them what was right and wrong with their jobs and the department," Kathy says.
- Involved the entire organization in developing a new structure based on goals rather than personalities.
- Helped 95 percent of the employees fit into jobs they truly wanted.
- Formed employee teams to identify and solve key issues.
- Stood up for the department. "I.T. sometimes can feel like a poor step-child," Kathy says. "I had to prevent I.T. from being dumped on and I learned how to say 'no' to my peers in a nice way." In May, Kathy became the group I.T. manager for the Computer Products Sales and Distribution group.

Like Kathy, Nancy Kerins understands that the best way leaders can help the

company is to develop and enable all employees in an organization to be effective.

Nancy was the company's first female manufacturing manager and is now marketing manager for the Patient Care Monitoring Systems Business Unit in Waltham.

"Early in my career," says Nancy, "someone told me to take responsibility for anything that goes wrong and spread credit for everything that goes right."

These five HP managers are neither perfect nor peas in a pod. But they all understand the importance of treating people with respect, a major step in getting employees to work together effectively for the common good. ■

*(Gregg Piburn, a former HP public-relations manager, is a Loveland, Colorado-based free-lance writer and consultant. —Editor)*

## Working the message

Feel free to call L.A. Fulgham an HP weatherman or messenger, but don't you dare call him a watchdog or policeman.

L.A. is the father of the streamlined HP Employee Survey, which in 1989 replaced the mammoth Open Line survey.

"The survey is a barometer," says L.A., "a beginning point to get people involved."

"This is not a personnel program," stresses L.A., a 30-year HP employee. "Entity managers own the data and are responsible for taking the information and doing something with it. We aren't the watchdogs but the messengers."

L.A. and his survey cohorts have been as busy as pony express riders. In the three-year period of 1989-91, there were 208 surveys worldwide administered to nearly 60,000 employees. In the first couple of years, managers had a choice whether to use the survey; now it's required at all entities.

One of its strengths, L.A. says, is that it is a two-in-one survey. All surveys include a core set of 67 questions, but an entity may choose to develop—with help from L.A. and his team—another 20 or 30 questions tailor-made for that organization.

More than anything, the survey is a measurement of employee satisfaction. "We don't want to penalize G.M.s and other managers for conducting



surveys and finding out issues," L.A. says. "But once they have the information, it is time for them to do something about it."

Several entities now have gone through the survey process more than once. L.A. has found a direct correlation between extensive follow-up (employee focus groups are especially helpful here) and improved scores.

Bob Olson, former G.M. of the North American Distribution Organization (NADO)—a merger of the Personal Computer Distribution Operation (PCDO) and most of the Direct Marketing Division—headquartered in Santa Clara, California, is one person who sees the value of the survey and follow-up.

"A lot of our managers here didn't want to do that first survey (at PCDO)," Bob admits. "I have enough TQC (total-quality control) in me to know if something is worthwhile, you have to be able to measure it."

The results of that survey were, as expected, bad. Employee satisfaction was below the norm in all but one of the 13 categories. "There's the story," Bob told his staff, "now let's go do something about it."

Rather than working to improve all the categories, Bob and his staff picked the three lowest-rated categories: pay, recognition and work environment. Employee teams were formed and their recommendations were implemented.

A year later, the survey indicated employee satisfaction in the new NADO organization was above the



JACK CARROLL

The HP Employee Survey is "a commitment to listen and follow up," says L.A. Fulgham, who tracks a handful of the surveys that have been administered to some 60,000 employees worldwide in the past three years.

norm in about two-thirds of the categories.

"We really worked to improve our three worst areas, and the benefits of that work carried over to the other areas," Bob says.

Employee satisfaction in Dick Toftness' organization in Loveland, Colorado, improved in every category between surveys. Like Bob, Dick had his managers and employees focus on a few key areas.

Dick emphasizes that managers can't make assumptions about the results. "You still have to ask employees what the findings really mean."

He recalls working with an engineering manager to develop a plan to

improve recognition within the Colorado Surface Mount Center. "We blew it," he says, laughing. "We presented our complex proposal and they said they just wanted to be talked to more and have a few pats on the back. The manager and I were being engineers, looking for solutions, rather than managers, listening to the people."

L.A. and his crew have learned that a survey is not just a set of questions. As he says, "It's a commitment to listen and follow up!"—Gregg Piburn



# “If I could change one thing about HP...”

Every two years, HP entities conduct the HP Employee Survey—a comprehensive barometer of how employees feel about their pay, recognition, work environment and so forth. Recently, *Measure* invited HP communicators and personnel managers worldwide to ask employees one all-inclusive question: If you could change one thing about HP, what would it be and why (or how)?

Here’s what a representative sample of employees said:

**I** would invest more resources in strengthening or building new R&D efforts in the Asia Pacific Region in preparation for the emerging 21st “Asian Century.”  
 Alice Long  
 R&D engineer  
 Singapore



than to receive it at an increase of one day a year.



**H**ave more flexible time off (FTO) available for employees after 10 years of service than what is available now. I would like to see five more days added after 10 years of continuous service, and so on.

It would be more of an incentive for employees to look forward to after each 10 years to receive the amount of FTO up front, rather than to receive it at an increase of one day a year or half a

Margaret Barron  
 Test & repair operator  
 Roseville, California

**T**hat HP would develop a clear computer strategy that is endorsed by both the Computer Products Organization and the Computer Systems Organization.  
 Alex Sozonoff, G.M.  
 Dealer channel-Europe  
 Geneva, Switzerland





**A**lways assign a mentor/teacher to help new or reassigned employees in their department. Each department is supposed to have processes in place, but a new person still needs someone who encourages and guides them along in their new environment.

Nancy Ikeda  
Production control  
Palo Alto, California



**A**fter nearly 23 years with HP, I think the most counterproductive and emotionally wasteful problems are the rumors about this or that division leaving or closing. I would *strongly* discourage management from sharing sensitive information with "trusted" employees.

Lynn King  
Model shop supervisor  
Everett, Washington



**G**et rid of all the "800" numbers except for one. That number would have responsibility for helping our customers with technical assistance, prices, availability of products, in placing orders, etc. I think the frustration level of our customers and also of administrative support would decrease dramatically if this was done.

Charlotte Lewis  
Administrative assistant  
Raleigh, North Carolina



**I**would assign engineers from each engineering group on a new project to a term of three months as acting supervisor in production. This way they would be exposed to any problems that occur on a production line that they don't see at their desk, which affects productivity.

Albert Martinez  
Production operator  
Boise, Idaho



**I**would like to create a "relationship culture" among different entities in Hewlett-Packard worldwide. This is by means of different focus-group meetings between different departments in different countries. Benefits will be the sharing of best practices and experiences so that improvement and higher productivity could be achieved.

Praphai Sirijaratwong  
Secretary  
Bangkok, Thailand

**T**he one thing I would change about HP is to get more divisions to participate in self-managed teams. When employees take ownership of their processes and have a better understanding of their business fundamentals, the pride of their accomplishments shows through in quality, productivity and efficiency—three key ingredients for a profitable organization.

Beth Willard  
Material handler  
Paramus, New Jersey



**W**hat I would like to change about HP is the ranking process. I feel it forces HP employees to work in a competitive mode against one another instead of in a team.

Linda Reinhardt  
Site event-planning coordinator  
Cupertino, California



Don't be so quick to have every step weighed and measured, but take risks and encourage risk-taking.  
Fred Simpkins  
Process supervisor  
Roseville, California

Since the HP products that most contribute to our growth are positioned in a wide cut through worldwide markets, I think HP should show more aggressiveness in those markets.

HP often is recognized as a conservative company among the leaders, and that is a value that has made us very successful so far. However, I think HP must be able

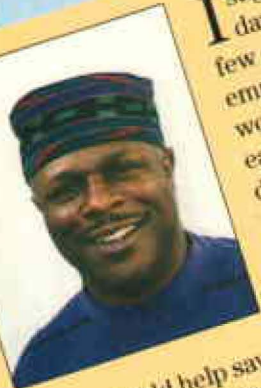
to accelerate the top management decision-making process to face the current market scenario.

Juan Jane  
Outbound Logistics manager  
Barcelona (Spain) Peripherals Operation



I suggest HP switch to a four-day, 10-hour work week. Just a few of the benefits include: higher employee morale because they would have three-day weekends each week; productivity would rise due to more hours to complete the work (each day); traffic would be less congested for one day; employees would save money on gas and wear and tear on their cars; it would help save the environment due to fewer auto emissions; and HP would save money on heating, air conditioning, electricity and coffee (one day a week). This would be a more positive direction. It fits closely with the HP way of being one step ahead and employee-focused.

Danny McClure  
Inventory coordinator  
Sunnyvale, California



That consideration for our environment becomes part of all our processes everywhere.

Nora Cantini  
Customer assurance manager  
Geneva, Switzerland



I would create an improved management atmosphere which might arrive at a better balance between the obvious need to re-tool our company to stay highly competitive in the world economy and the terrible job stress that many of our HP people are feeling. The stress comes from the massive changes in organization and products, and external business pressures.

HP people have historically dealt with change enthusiastically because they knew that HP was loyal to them and would find them jobs, no matter what. Now, there is more of a detached feeling of loyalty, and that is too bad. It is not obvious that all areas of HP—from overhead functions to profit-making divisions—are sharing equally in the stress.

On the other hand, I know customers and friends in hundreds of other businesses, and HP is still the shining light for its people. Many people would give their right arm to work at HP.

John Minck  
Marketing communications manager  
Palo Alto, California



HP should take a proactive role in on-site or company-sponsored child care. HP is usually at the forefront of innovative employee and family benefits, but is not taking a leadership role in this case. Competition for top employees will become more fierce as many major businesses try to do more with less, and premium benefits that address employees' real concerns and priorities will be essential to attract and keep top employees.

Shauna Della  
Information-systems manager  
Santa Clara, California



I'd like to change the salary system. Yokogawa-Hewlett-Packard (YHP) employees' salary had been based on seniority (like) other Japanese companies. With the new salary system, more importance is attached to one's performance and ability than his or her seniority. However, it still is not enough. I would like to make it completely a performance-attached system.

Tetsuya Kakinoki  
Marketing engineer  
Tokyo, Japan



# Bracing for the BIG one

How do you get ready for a really catastrophic punch from Mother Nature?

By Betty Gerard

Hewlett-Packard had a preliminary bout with disaster on October 17, 1989, when a 7.1 earthquake did about \$9 million in damage to company facilities in the San Francisco Bay Area.

In seismic terms, that wasn't "The Big One" Californians have been apprehensively expecting. But it packed enough of a wallop that HP learned some important lessons. The company has taken a number of precautions since 1989, both to ensure building and employee safety and to strengthen emergency communication between sites.

Bob Lanning of Corporate Real Estate worried about earthquake preparedness, particularly for computer systems, even before the Loma Prieta earthquake struck. He already had made arrangements with the Federal Communications Commission to get six pairs of newly released private frequencies for a multi-channel trunked radio system for use by talk groups. It would give

HP dozens of communications lines in the Bay Area. The radio equipment was on the receiving dock when the 1989 quake struck.

Today the system is in full operation, with 450 radios in use by HP sites throughout Silicon Valley. A well-equipped Emergency Command Post has replaced the informal crisis center hastily set up in a Corporate Offices lobby the night of the quake. It includes three ham radio systems as communications backup. Bob worked with others to formalize the HP Corporate Seismic Program and develop a set of guidelines for building requirements for new construction.

The seismic-risk zone now has been

determined for all HP locations worldwide, with those in Japan, California, New Zealand and Venezuela in the high-risk zone 4, for instance. Special attention is given to HP locations in seismic zones 2 or higher.

HP facilities owned or leased within these zones are being given a preliminary check by H.J. Degenkolb Associates, the structural engineering firm that consults with HP. The San Francisco-based firm reviews building plans and non-structural information about walls, ceilings etc. Buildings are usually given an on-site check to verify important details.

Employee safety is the No. 1 concern in making an assessment. Says David



Bob Lanning set up HP's emergency radio network in Silicon Valley. A repeater on Black Mountain rebroadcasts the signal from Palo Alto 70 miles.



# Bracing

Bonneville, Degenkolb vice president, "HP has an extremely conscientious attitude about protecting life safety in all of its buildings." Existing buildings are evaluated on how well they can be expected to hold up in an earthquake, and strengthened where necessary.

At the Santa Clara, California, site, for instance, workers constructed 45 seismic-braced frames in building 55. The job required 230 tons of steel and 160 yards of concrete, and cost \$2.6 million. "It's the most challenging project we've done here," says Bruce Zelenka, facilities-engineering manager.

The first new construction under the guidelines is the site in Kobe, Japan (see page 15), which is in a 4 zone and has been built to HP's most exacting performance standard. It meets the stringent requirements of the Japanese seismic code.

HP also has assessed the critical business nature of certain processes to the company.

The company has classified 14 business processes as "A" (critical), based

## How will HP buildings hold up during an earthquake?

on their interface with customers and the financial impact on HP if their operations are interrupted. Included are communications centers in Colorado Springs, Colorado; Atlanta, Georgia; Palo Alto, California; Böblingen, Germany; and Brussels, Belgium.

These sites have now been "hardened" with the installation of generators to provide a substitute power supply if the regular power is cut off.

Other precautions include connections to more than one central office



At the Santa Clara, California, site, Bernard Baker and Bruce Zelenka planned these seismic-braced frames.

of the local phone company, to ensure redundancy if a fire or other disaster should knock out one office. Similarly, internal wiring has become more diversified. HP spends from \$5 to \$10 million annually on such preventive measures, according to Bill Taylor of Corporate Network Services.

Other post-earthquake programs:

- A lot of duplication has been built into the company's telecom networks that move voice, data and video among HP locations worldwide and connect with outside callers. By having diverse connections to long-distance carriers, alternate paths are available if needed.
- If the powerful central systems at the Corporate Offices should go down in a quake, a duplicate mainframe at a new data center in Colorado Springs, Colorado, will take over processing.

Neal Piliavin, who heads Corporate Information Systems security, sees little likelihood of HP's systems being totally out. "We have a lot of redundancy built in and are still installing backup."

The North American Disaster Recovery Center in Colorado Springs, which opened in February, has HP 3000s and HP 9000s on standby to take over processing duties for individual HP facilities knocked out of business by a fire or other disaster.

(HP sells similar services to customers as part of HP BACKUP insurance, making "hot sites" available to them in Tacoma, Washington, and Valley Forge, Pennsylvania. They were used by a number of customers when downtown Chicago was flooded this spring.)

- Belinda Tovar, disaster recovery specialist for the Neely Golden Gate Area, first developed contingency plans for disaster recovery for other Neely offices in Northern California. She used HP's Disaster Recovery Plan as a basis. Neal has asked her to work with HP's factories to train disaster recovery teams drawn from all departments that

## Where are HP's most critical business processes located?

get involved in an emergency. Belinda also sells her counseling services on emergency planning to customers, along with HP BACKUP.

- At the Corporate Offices, Mike Johnson doubles as the site facilities manager and head of the regionwide Emergency Command Post when it is activated. He uses the trunked radio system for day-to-day emergencies and has added some backup measures:

Six phone lines separate from the public network run between the HP building and homes of key facilities staff members. In addition, there are a number of cellular phones on site if regular phone lines go down, and a truck is equipped as a mobile emergency base.

Loveland, Colorado, is the backup information source for the rest of HP if Corporate Offices are cut off. Employee information hotlines are in Palo Alto (415) 852-8444; and Loveland (303) 679-2275. In an emergency, 800-765-5154 and 800-843-0919 become activated at Loveland.

With bruises healed from the 1989 quake and new defensive programs in place, HP is bracing for The Big One and ready for disasters throughout the world. ■



# Building a new strategy



Nearby Wilmington, Delaware, becomes the new home for HP's Avondale, Pennsylvania, employees in September 1992. From the two-story glass cafeteria, employees will look out at wildflowers and dense woods. The building is designed for flexibility, with light wells on the top two floors.

*By Mary Anne Easley*

Hewlett-Packard is slimming down and getting a makeover—in a real-estate sense, that is. In an effort initiated in 1989 to use HP real estate assets more efficiently, the company has been trimming its properties in the United States and Europe in the last three years.

At the same time, U.S. sales offices that customers visit frequently are getting new interiors designed by international architects Hellmuth, Obata and Kassabaum. The interiors, installed first in Indianapolis, Indiana, and Houston, Texas, are functional and comfortable, with subtle colors and textures intended to showcase HP products. They include specially designed customer training and sales meeting rooms, as well as "Idea Rooms" for improved product demonstrations.

"Land and buildings are among our most expensive assets," says Corporate Real Estate Director Dennis Raney, "and

if we manage them wisely, they can contribute significantly to the company's business activities and profitability."

By selling properties, leasing some to other companies, consolidating, even experimenting with compressing space, HP has reduced some 3.5 million square feet worldwide in the last two-and-a-half years, saving approximately \$65 million a year. At the same time, some expansion needs are key to the company's future success.

New buildings are under construction or planned in Atlanta, Georgia; Bergamo, Italy; Toronto, Canada; Santa Fe (near Mexico City), Mexico; Madrid, Spain; and Wilmington, Delaware. In Kobe, Japan, employees moved into a new

# Building

STEVE TOWNSEND



At the 110-acre Bergamo, Italy, site, separate buildings—for manufacturing and for R&D and administration—are more efficient and less costly to build. Smaller floor plans bring employees closer together, provide proximity to windows and amenities and reduce noise. Until the first building is completed in mid-1994, employees there will continue manufacturing laser printers in a temporary structure.

240,000 square foot manufacturing/research center in April (see page 16).

Each of these projects reflects a changing real estate philosophy: to meet HP's current needs *and* to retain value for the future. "Many of our current buildings were designed for a single user, limiting their flexibility," says Dennis. "They also were more expensive than our competitors' buildings and difficult to sell or lease when no longer required by HP.

"The new buildings, which have smaller floor plans than traditional HP buildings, are designed for flexibility, for current and future HP users. They're also designed to market standards to retain long-term value."

The changing real estate philosophy is outlined in a document developed by Dennis and members of his staff in 1991. That document also outlines real estate policies and practices, the rationale for leasing or owning property, planning and space utilization, and architectural design philosophy.

What factors determine whether HP buys or leases?

"The first questions we ask," says Dennis, "are 'Is this a strategic business



The Indianapolis, Indiana, sales office is one of the first to get an interior facelift. Rooms are specially designed for product demonstrations, customer training and sales meetings. HP products are showcased by neutral colors, subtle textures and art with global themes.

site and how long do we plan to remain here?" We also take into account the total cost of occupancy—including financing, construction, operating and disposal costs, as well as the risk of real-estate ownership and return on assets.

"This model encourages us to own real estate when we intend to remain on a site for the long term, 10 years or more."

On these pages, *Measure* readers get a glimpse of real estate projects in various stages of development. Some have just been completed or are nearly ready for occupancy. Others are still on the "drawing board" and design has not yet been approved. ■





HP will occupy only part of a 50-acre site the company is developing as a joint venture near Toronto, Canada. Employees will move into the first building when it's completed in the spring of 1993.



CAI/OLIVE PARSONS/UNION INTERNATIONAL

Hundreds of cherry trees were in full bloom when manufacturing as well as sales and marketing employees moved into the new Kobe, Japan, site this spring. Traditional landscaping includes a pond and waterfall. In the distance is a view of the Akashi Straits.



# A beautiful day for Kobe

KOBE, Japan—May 24 was a marvelous day for Yokogawa-Hewlett-Packard (YHP) employees in Kobe.

They proudly showed off their work areas to their spouses and children. Their kids got to play computer games. Co-workers met each other's families. And everyone ate a barbecue lunch and toasted the happy event.

The celebration was the open house at YHP's newest facility. Most of the 500 Kobe employees attended with their families. They toured the building and the spacious grounds, and introduced their families to YHP executives, including directors and President Ken Sasaoka.

The Kobe facility houses a diverse group. In addition to being the home of YHP's second R&D and manufacturing facility, it includes:

- Kobe Instrument Division;
- Kobe Logic Engineering Operation;
- HP's Asia Pacific Products Operation base;
- Kobe Systems Operation;
- Japan Solution Development Operation;
- Professional Service Operation;
- Asia Pacific Medical group; and
- Kobe sales and support organization.

The facility, located in the Kobe High Tech Park, consists of two 5-story buildings which house about 240,000 square feet (22,726 meters).

"We had a wonderful day," said Yasuaki Hanatani, YHP director and Kobe facility manager. "We have a diverse group of employees who have moved here from the East (Tokyo) and employees hired locally.

"Meeting each other's families was a good way to begin work and life together in Kobe."

*(Measure thanks Momoko Sekiya, of the YHP public relations staff, for her help with this photo feature.—Editor)*



**above**

**Hitoshi Komaki's children play computer games in the information-technology department during the May open house at HP's new facility in Kobe, Japan.**

**above right**

**Employees and families tour the Kobe grounds, which are beautifully landscaped with bridges and a waterfall.**

**below right**

**Yokogawa-Hewlett-Packard (YHP) President Ken Sasaoka chats with attendees during the afternoon picnic.**

PHOTOS BY CAROLINE VANBOSCHUM/MECK INTERNATIONAL







left

A father and his son play catch on the full-size basketball court in the gymnasium on the Kobe site.





left

Wearing their blue “happi” coats, YHP directors join employees and their guests in a toast to celebrate the opening of the new facility, which is about 590 kilometers (365 miles) southwest of Tokyo.

PHOTOS BY CAROLINE PARSONS/LIAISON INTERNATIONAL



above left

Kazumi Kawamura and his daughter share a lab coat during the family tour of the manufacturing area.

above

Kumiyo Aida and her father laugh with Kumiyo's 94-year-old grandmother. Kumiyo used to cross the sea from Awaji-shima island to Kobe—about 40 kilometers (25 miles) every morning to get to work at the Kobe sales office. Now she lives in a YHP dormitory near the Kobe facility.



left

Floor-to-ceiling glass doors and windows create a bright and spacious entrance into the main lobby.



## A Major error

Regarding your story about John Major in the May-June 1992 *Measure*, there has been no such position as the king or queen of England since 1603. Similarly, there has been no such person as the prime minister of England since 1707.

They are the king/queen/prime minister of the United Kingdom of Great Britain and Northern Ireland (more commonly known as the United Kingdom or U.K.).

Yours historically,

WILF WRIGHT  
Queensferry Telecom Division  
South Queensferry  
West Lothian  
Scotland  
Great Britain  
United Kingdom

To make such an error in the title of one of the most prominent positions in world politics is lamentable at best. It also shows a lack of understanding of the political sensitivities in the U.K.

The Scots, Welsh and Irish who are governed from Westminster may never forgive you!!

MARTIN MURPHY  
South Queensferry, Scotland

Everyone here is unsure about something: Is George Bush the president of California or does he have other responsibilities as well?

JAMIE JARRETT  
Bristol, United Kingdom

*(Some might say that George is president of Texas, but he's more commonly known as the president of the United States.—Editor)*

## Good directions

My thanks to Rhea Feldman for sharing the "HP directions for the '90s" article in the May-June 1992 issue.

By having a powerful vision, HP can continue to create new and innovative products that can keep us at the forefront of high technology and remain aggressively competitive in the global information market.

The article does an excellent job of identifying how the many worldwide HP divisions will use their unique core competency to develop innovative products.

HP's powerful vision of the '90s will help us become "the true and dominant information company" by the year 2000 and beyond.

WAYNE TIGHE  
Mississauga, Ontario  
Canada

## This is democracy?

I read with interest the March-April *Measure* story "Three parts, one whole," about the political reunification of China. I'm sure you are aware of the significant political issues and tensions related to this topic, and I would have appreciated it if you had explored them in the article.

The most obvious issue, reflected in the statement you quoted from Taiwan's Mainland Affairs Council, is whether China will be reunited as a "democratic, free" country. We all remember that democracy was crushed in mainland China with the crackdown in Tiananmen square.

Part of the HP way has been an emphasis on corporate citizenship and a commitment to bettering the lives of those who live where we conduct business. Of course, HP cannot be the world's moral or political policeman. Recent events in South Africa notwith-

standing, the movement toward change there demonstrates the impact of the international business and political community insisting on standards of democracy and fairness.

DAVID SHAW  
San Diego, California

## Is this the same HP?

As a survivor (so far) of the years of expense controls, layoffs, NEPS (non-exempt pay system), salary cuts and overtime elimination, I read the Sonoma County story (May-June 1992) in amazement.

We're lucky to have working water fountains. In the great state of California you folks have horses roaming your golf course. We do have a basketball hoop (in the parking lot), but certainly not a grass-covered baseball field.

I definitely appreciate working for HP, but is your corporation the same one that hired me?

PATRICK MEADOWS  
Rolling Meadows, Illinois

## Please send mail

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

Address HP Desk letters to Jay Coleman; by company mail to Jay Coleman, Building 20/BR, Palo Alto. Via regular postal service the address is *Measure*, P.O. Box 10301, Palo Alto, CA 94304-1181 USA. Please limit your letter to about 150 words, sign your name and give your location. We reserve the right to edit letters.



# BENCHMARKING:

## Say goodbye to organized tourism

HP "believers" tell why benchmarking is really a boon — not just this month's buzzword.

By Jay Coleman

About two years ago, Cliff Doyle and a team of employees from the Integrated Circuits Business Division in Fort Collins, Colorado, spent a considerable amount of time in Japan studying one company's manufacturing processes.

Company managers generously shared their best practices, and Cliff's team returned to Colorado with briefcases bulging with information.

"We grabbed every number and every scrap of paper we could get," Cliff says. "Later we realized that we got a lot of statistics—such as a process that takes us 10 days they finish in one day—but we didn't know *how* they did it.

"We called it a benchmarking trip, but really it was just competitive analysis."

Benchmarking. It's a word we hear virtually every day, but what does it mean? And is it really important or just the buzzword of the month?

Process benchmarking compares functional processes to perceived "best-in-class" companies in an effort to make significant improvements in effectiveness and efficiency, says Paul Smith, HP benchmarking programs manager for order fulfillment.

Paul, who's part of Chuck Marr's Corporate Logistics Engineering group, and Bill Boller, director of business planning and support within the Product Processes Organization, are developing a benchmarking program for the product-generation process while continuing to support HP's order-fulfillment activity.

Benchmarking first appeared in HP in a big way in 1989 when it became a key piece of Corporate Logistics' business strategy review. It was endorsed by top

management and became one of the Logistics Council's key initiatives. Benchmarking became a major chunk of Corporate Logistics' 1992 Hoshin (breakthrough) goals and is on its business fundamentals list.

"There's a big difference between benchmarking and organized tourism," Paul explains. "A lot of people fly around the world, compare notes with various companies and come back with some interesting ideas.

"True benchmarking goes the extra mile to transform best-practice ideas into action plans and performance objectives."

You have to know your own processes inside and out before you pack your bags for that first trip, Paul notes. Key issues are:

- What process are you benchmarking?
- Who or what are you benchmarking?
- How do *you* do a specific process?
- How do *they* do it?
- How large is the gap between your performance and theirs?
- And what plans should you implement based on the best practices you witnessed?

Frank Attardo, manufacturing operations manager for the Patient Care Monitoring Systems Business Unit in Waltham, Massachusetts, heads a team that's exploring how to improve order fulfillment within a factory environment.

"We want to know when an order hits our doorstep, how long does it take us to turn that order into a shipment, and how can we shorten that time and do it





JACK CARROLL

Paul Smith (left) and Hans Hartmann discuss Quick Response approaches to delivering high-volume products, such as HP printers.

more predictably?" he says.

The Waltham team has benchmarked internally with the Exeter (New Hampshire) Computer Manufacturing Operation, the former Loveland (Colorado) Instrument Division and the Avondale, Pennsylvania, site, as well as with outside companies in the memory-systems and telecommunications industries. The team spent two days at each partner site to gain a detailed understanding of that site's order-fulfillment processes.

One significant conclusion the team reached is that HP is too internally focused rather than market focused.

"We're more concerned with shipping X millions of dollars by the end of the month instead of asking ourselves 'Are we delivering equipment to our customers when and how they expect it?'" Frank says.

That heightened awareness of market focus means that HP needs to change its processes and philosophy, adds Hans Hartmann, the leader of HP's North

American Distribution Organization's (NADO) order-fulfillment benchmarking study.

"We (HP) do a lot of things really well, but we have a long way to go in terms of order fulfillment compared with leaders in the retail industry," Hans says. "If we can develop a breakthrough in order fulfillment in our industry, we'll further distance ourselves from our competitors."

Realizing that HP is a relative newcomer to the field of retail delivery, Hans' team worked with Paul Smith to benchmark with some of the acknowledged best: snack king Frito-Lay; department-store chain Dillards; Baxter Healthcare; and Milliken, the largest privately owned textile company in the world (and a 1989 Malcolm Baldrige National Quality Award winner).

All four companies share a critical success factor—Quick Response (QR)—a virtual just-in-time product-delivery practice. It means that companies use a short lead time to restock their products on retailer shelves, based on

how fast the products are selling. QR also minimizes inventory.

The concept isn't brain surgery, Hans notes. In fact, the Dillards executive credited with coining the phrase reportedly designed Quick Response on the back of a cocktail napkin. And it's only effective for high-volume products, such as HP printers. But it's vital today as customer expectations continue to skyrocket, Hans says.

"The challenge is that QR requires effective supplier-manufacturer-retailer partnerships, trust and precise execution," Hans says. "It takes an act of God to stop a Quick Response order at Dillards."

Hans says he thought HP did pretty well in order fulfillment until he saw *how* the real experts do it. "It took a dedicated benchmarking project to pinpoint major areas of opportunity," he says.

Does this new zeal for benchmarking mean that HP can throw away its alphabet soup of quality, measurement and



improvement tools, such as TQC (total-quality control), QMS (quality-maturity system) and 10-step business planning?

Not at all. Benchmarking will be successful at HP only if it blends into existing management tools such as QMS and 10-step planning, Paul Smith notes. For example, NADO's benchmarking effort was a key part of its 1992 10-step plan.

"My benchmarking program is tied directly to (Vice President and Circuit Technology Group G.M.) Fred Schwetmann and (division G.M.) Dragan Ilic's Hoshin goal of reducing cost of sales," says Fort Collins' Cliff Doyle, a benchmarking disciple who returned to Japan in May to benchmark with Hitachi and Toshiba.

Cliff, the benchmarking program manager for the Circuit Technology Group, says that while continuous-improvement programs can help a group improve a step at a time, benchmarking identifies improvements that "give you that leap forward that makes you the best."

"You get set in your ways being at HP so many years," says the 27-year HP employee. "Then you look at some other companies and it's alarming how far up the ladder we have to climb on some processes.

"Sometimes we all step in the same mess umpteen times before we learn from each other," Cliff notes. "We must learn to leverage on each other's experiences, and benchmarking is a great way to do that." ■



Shipping products without boxes as a way to reduce packaging waste? Frank Attardo (left) discusses the idea with Rajiv Sarin in Waltham, Massachusetts.

## Be aware...

While some employees are out on the benchmarking trail, HP continues to be a popular company for other companies to benchmark. That's fine as long as employees are careful with the information they share.

"Many of our processes represent a competitive advantage, just as our product technologies are a competitive advantage," says Paul Smith, HP benchmarking programs manager for order fulfillment. "Both product and process technologies are intellectual properties that we must protect and treat with the same care."

Does that mean a shift from HP's legendary openness?

"Certainly not," Paul says. "It just means that employees need to think

if the information they share with non-employees—especially when benchmarking with a competitor—could be a security risk."

Paul says a good rule of thumb is "Don't make a unilateral decision." If you're at a division, check with a functional manager first. Also, don't ask a benchmarking partner to share information that you wouldn't feel comfortable sharing with them.

"I'm not suggesting adding a lot of red tape to our system," he adds. "Use common sense and good judgment as you would with any sensitive information."





John Golding, managing director of HP U.K., poses with the "Goldfinger" rose along with Her Royal Highness The Duchess of Kent, patron of CLIC—the charity which benefits from Goldfinger sales—and Hollie Allen, a leukemia patient.

## A license to cure

Three years ago, HP employees in the United Kingdom had a nice idea:

Let's honor company co-founders Bill Hewlett and Dave Packard on the 50th anniversary of the founding of the company by commissioning a rose—

the William David rose—to be bred and grown in their honor.

The U.K. people even discussed distributing 800 of the golden-yellow rose bushes to HP sites worldwide.

After a bit more research, the HP folks discovered several thorny logistical problems involving having the plants grown and shipping them around the world. It would mean a mountain of agricultural inspections, red tape and hassle.

About a year ago, quick-thinking HP employees devised a clever scheme: rename the flower to give it more "commercial" appeal, and donate all proceeds to a charitable organization.

Now, everything's coming up roses.

In May, the "Goldfinger" rose was unveiled at the prestigious Chelsea (U.K.) Flower Show. In the U.K., all royalties from the sale of the rose go to the Cancer & Leukaemia in Childhood Trust (CLIC UK). The charity hopes to receive \$1.8 million (U.S.) during the next 20 years from Goldfinger sales.

Rearsby Roses Ltd. in the U.K. will have a limited number of Goldfinger rose bushes available this autumn and next spring. In autumn 1993, Goldfinger will be available from British registered growers as supplies of the deep-golden florbunda rose increase.

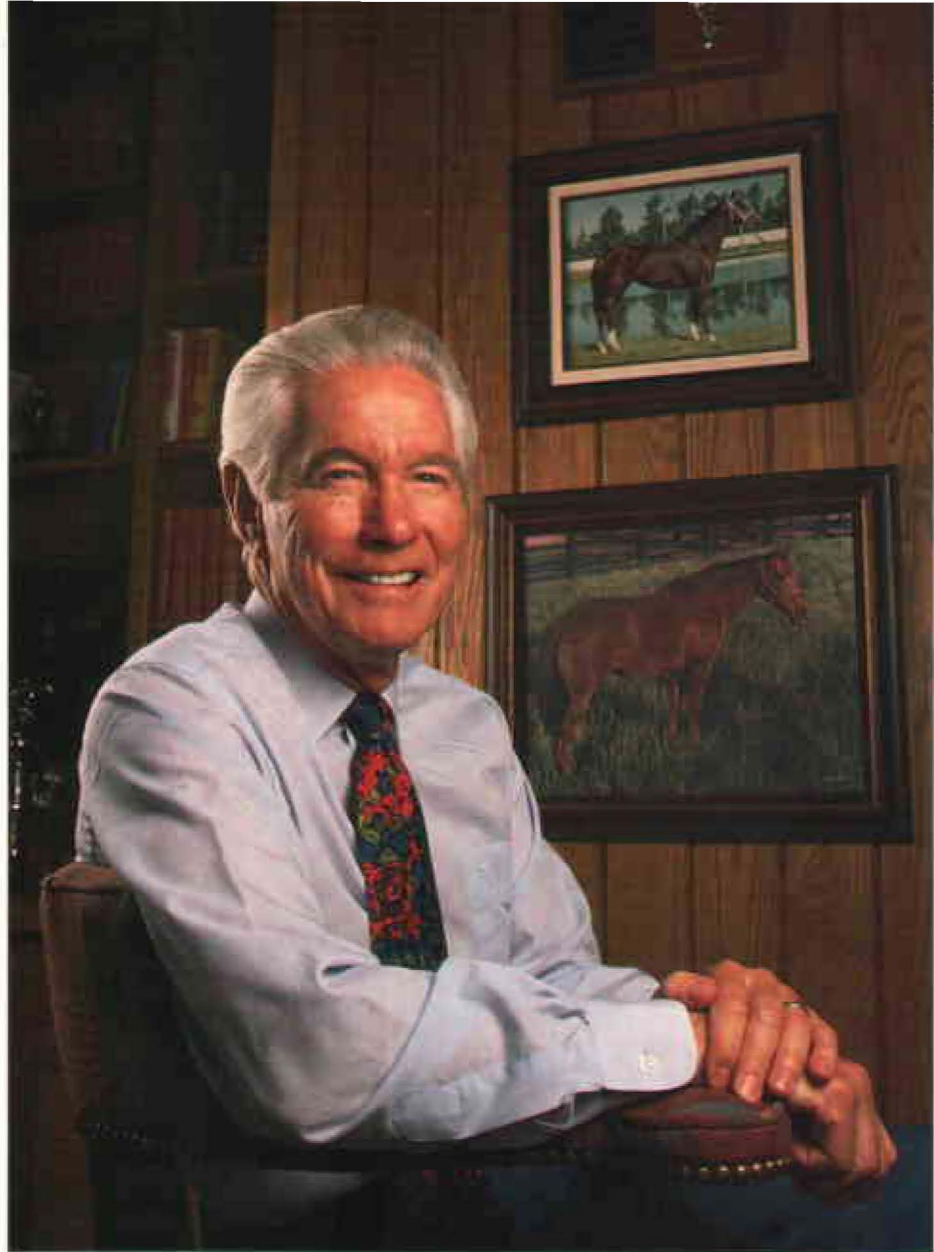
Availability outside the U.K. will depend on local laws and propagation. In the United States, for example, HP has cultivated a relationship with a grower in Watsonville, California. However, Goldfinger won't be available for four years—after two-year quarantine and growing periods.

It's a long-term project for a worthy cause. And for thousands of children with cancer, Goldfinger could provide the Midas touch. ■



# The making of a PEOPLE PERSON

*By Gordon Brown*



Retiree Bob Boniface has had a 30-year interest in horse racing, but it was his days with HP sales, marketing and administration that kept him on a fast track.

You might very well have seen or heard of Bob Boniface. After all, he was associated with or worked for HP since he was a teenager.

That was 50 years ago. At retirement, seven years ago, he was an HP executive vice president and member of the Board of Directors. In the course of his active years, Bob made or helped frame and implement decisions that had major impacts on the company, particularly in the areas of sales, marketing and administration.

So: Probably an engineer, you think. Or an MBA. Lots of field sales experience, too. No doubt very comfortable with the complexities of high technology. Then, given his years as president of the

Horsemen's Quarter Horse Association, you'd expect that Bob was probably born in the saddle—or at least the barn.

Finally, on discovering his military experiences—youngest-ever U.S. Army officer candidate at Fort Benning (Georgia), winner of a Silver Star, two Bronze Star Medals and a Purple Heart for fierce hill-taking actions in the Philippines (1944-45), and his return to active duty during the Korean War—you wonder if Captain Robert Lee Boniface might have been headed for a military career.

Guess again. In fact, all of the above assumptions miss their mark.

Bob came to HP almost literally



through a side door. Or was it the back door? In any case, it wasn't easy. Family problems brought on by the Great Depression meant that Bob had to find jobs to pay his way through high school. As a night watchman and vehicle polisher at a North Hollywood garage (at \$1.75 a night), he sometimes encountered an imposing and cheerful customer named Norm Neely.

Norm, whose nearby Neely Enterprises represented HP and other instrument manufacturers throughout much of the western United States, saw promise in this kid and offered him a part-time job as office boy. In particular, he saw a person with a natural instinct for administration—or whatever!

Norm confirmed that impression in 1952 when—in spite of the interruptions created by Bob's two military stints plus the demands of college—he named the 28-year-old former car cleaner and movie-studio elevator operator as vice president and general manager.

What exactly did Bob bring to the Neely table? George Glenday, general manager and director of HP's North American Field Operations, has firm

***"To me, Bob Boniface was the best 'people' person I've ever met."***

views on that: "To me, Bob Boniface was the best 'people' person I've ever met. He always listened with great intensity. And he never lost his 'cool.'"

"While he was never a field-sales person, he did a great job in relating to customers. He knew everybody. I learned a great deal from Norm, but especially from Bob. After all, he hired me!"



**Bob (right) and Norm Neely (left) meet with a contractor in 1953 to finalize plans for the Neely headquarters at 3939 Lankershim Boulevard in North Hollywood, California.**

In 1962, 10 years after taking over the Neely helm, Bob faced his biggest test since the mountains of Luzon—a merger proposal from HP. The gist of it was, of course, that fast-growing HP wanted to create its own sales forces in major markets. The choice was whether to build an entirely new organization or to absorb the "reps" as they were called. For Norm, the choice was either to stay independent—and relinquish HP, which represented about half Neely Enterprises' business—or join the HP team as some reps had done already.

Norm, who owned the major share of his namesake business (then the largest of its kind in the United States), made an amazing decision: He said the Neely choice was up to Bob. After careful deliberations with Norm and fellow Neely people, and negotiations with HP leaders, including Dave Packard, Bill Hewlett and the late Noel Eldred (then V.P. of marketing), the deal was done: Go with HP!

According to Bob, the deciding factor was the almost uncanny similarity in business philosophies and management practices—plus the very cordial and responsive relationships at all levels. A few things needed changing to achieve full compatibility, such as accounting and personnel procedures. Within a year, the merger was a reality (and the

Neely name retained to this day).

Meanwhile, Bob's personal life was thriving. In 1950, he met a new receptionist named Sue Alexander, who had worked in show business but didn't like the travel that went with it. They married soon after Bob's recall to the Army, and by 1953, were the parents of daughter Chris and son Craig.

Their tranquility took a jolt in 1969: Dave Packard was off to Washington as Deputy Secretary of Defense, and Noel, given broader responsibilities in Palo Alto, asked Bob to join him and take over his previous role as head of marketing in 1970.

That was a tough decision: Craig was entering his last year of high school; Sue's mother lived nearby; and it would mean leaving a large circle of local friends and associates. Eventually, and with some reservations, they made the move. It was eased somewhat by Noel's assurances that Sue did not have to become a "corporate wife" and that Bob could concentrate primarily on the domestic market while he (Noel) managed the international scene in the interim.

At Noel's prompting, Bob soon undertook a sweeping evaluation of the U.S. field forces and their views on organizational structure, strengths and weaknesses, and what HP should aim for



# Boniface

during the next decade. At that time, factory and field organizations reported along quite separate paths.

*Measure* at one point compared this to hoisting products over a fence and hoping people on the other side could sell them.

As a result of his probings, Bob proposed a revolutionary change, one that aligned factories and field sales people horizontally into groups reflecting the particular business segments they served. Sales support would come largely from those groups rather than corporate. Regional managers would maintain corporate-type “housekeeping” and other services, and provide the all-important single-company interface with customers.

The proposal was accepted and was reflected in HP organization charts. Without question—and without going into the details here—it contributed significantly to the company’s ability to manage its growth and the increasing diversity of product lines during the decade and a half that followed.

Of course, there was—and is—no perfect nor permanent solution, as Bob knows. His organizational design has been reformatted extensively. But he provides a real salesman’s—or sales manager’s—response: “One of the reasons HP has been so successful over the years is that the field has done an outstanding job of presenting the company as a whole—by never walking away from a problem regardless of product line and by taking prompt action...” ■

*(HP retiree Gordon Brown was Measure editor from 1968 to 1982.—Editor)*



Recognize that “theme girl” posing with Bob Boniface outside the 1962 Wescon convention in Hollywood? It’s actress Mary Tyler Moore. Bob was HP’s vice president of marketing—and a willing model—at the time.

## Whoa there, Bob!

Put the blame on Sue. Yes, it was Bob Boniface’s wife, Sue, who introduced him to the horse world in the early 1960s.

Actually, she tricked him into it by secretly buying Bob his first horse at a Southern California dude ranch/golf resort. Later, she lured him into buying a small ranch where the kids could roam and the horses romp.

In time—and with coaching from actor Dale Robertson—Bob and Sue were in the horse-breeding and quarter-horse racing business at their Double C Ranch in the Perris Valley in Southern California—with consider-

able success. Bob also became—and still is—quite active in various associations related to those activities.

What else? How about cattle-roping contests! And golf. And tennis. And building a new home in Atherton, just north of Palo Alto. And keeping in touch with old friends from HP, Neely and Hollywood.

As for travel, no more jet-lag trips, thank you.

But a few more visits to the Winner’s Circle would be just fine and dandy.—*Gordon Brown*



## HP's president and CEO talks about the importance of people leadership.

**T**here's no question that the last few years have been particularly challenging for HP people. We've all had to deal with stressful situations to one extent or another. Rapidly changing business conditions, organizational realignments, redeployments and so forth have been compelling management issues. In the process, many of our managers haven't given "people management" the attention it requires.

That's why, for the last two years, Chief Operating Officer Dean Morton and I have included the goal of improving people leadership and practices at HP as one of our top priorities.

Our plan is to use the HP Employee Survey—our "mini Open Line"—as a way to measure and bring about improvement.

Getting feedback from employees is vital to good management. Simply listening is one of the best things a manager can do.

During the last two years I've made a point of visiting as many HP sites as possible. I believe that it's tremendously valuable to hear firsthand what HP people worldwide have to say about the company. Whether it's MBWA, a coffee talk or small-group meeting, it's exciting to hear HP employees talk about their plans to win in their market. From Fort Collins, Colorado, and Mississauga, Canada, to Vienna, Austria, and Hachioji, Japan—what I hear from employees is just as important as what I have to say.



**Rita Lee, public-affairs specialist for HP Taiwan, talks with HP President and CEO John Young prior to John's address at the annual HP Communicators' Workshop in Palo Alto, California.**

While face-to-face communication is typically the best alternative, a survey is a good complement. Surveys offer benefits that face-to-face can't. For example, in a survey people give their feedback anonymously, so they're likely to be more candid than they would be in a conversation with their G.M.

So I'm a strong proponent of the employee survey process. It's a revealing exercise. I personally review the results from each HP entity. (You can read more about the HP Employee Survey on pages 6-7.)

It's not surprising, given the tough environment, that most HP entities have not improved their survey scores over the last few years. Clearly this activity requires more management attention.

The survey is only valuable if managers follow up on employee issues. We've found entities make more improvement when the G.M. is involved personally in responding to issues. To help make this happen consistently across the company, we've implemented a few changes in the past year:

- First of all, the survey is no longer optional. Each entity must conduct one every two years.
- Secondly, within 90 days after a survey is complete, entity G.M.s now are required to submit to their group G.M. a brief written report of the employee

concerns they've discovered and an action plan to resolve them.

- Finally, progress on issues will be included as part of every entity's business review and every G.M.'s performance evaluation.

Our experience indicates that most employee concerns from the survey need to be handled at a local level. But there will be some that should be addressed from a Corporate standpoint. So I've asked each entity surveyed during the last year to send me a prioritized list of issues that need Corporate attention, and I'll establish a task force of general managers to work on them.

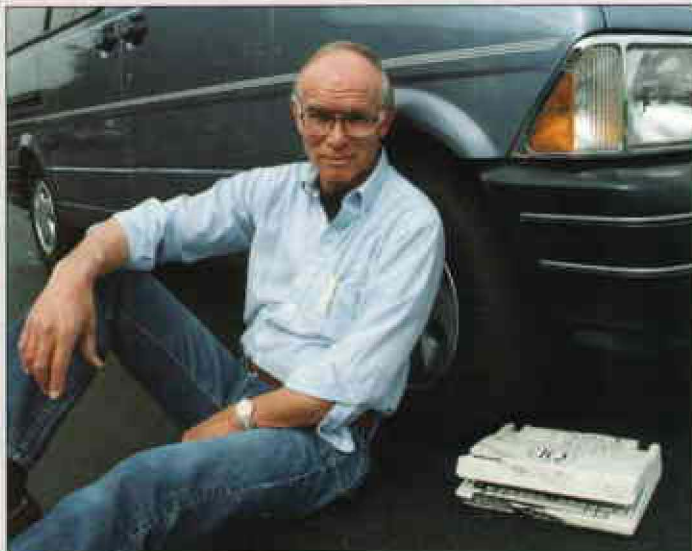
TQC—total-quality control—has shown that measurement tools such as the employee survey can be a powerful means of making positive changes. But improving people management isn't just a matter of conducting surveys. It boils down to how we treat each other.

Whether or not you're a manager, you help us improve people practices at HP when you do simple things—like take time to really listen to those you work with, give feedback constructively and follow through on your commitments. In short, make it a daily practice to have respect for each other—the hallmark of the HP way.

Together, we can continue to make HP one of the best companies to work for.



**News from around the HP world**



**It had tire tracks on top and several missing keys, but Larry Bair's wayward HP 110 portable PC still worked.**

**It takes a licking...**

Larry Bair had just completed a service call and was pondering the best route to his next stop.

Lost in thought, he piled his HP 110 portable PC and a stack of papers onto the roof of his car and fumbled for his keys. Then he unlocked the door, climbed in and drove off—completely forgetting the gear on the roof.

Somewhere during the next few miles, the stack flew off, scattering debris along the road. But Larry didn't notice anything missing until he arrived at the office.

"I got a call from someone with the National Parks Service two weeks later," says Larry, a Medical customer engineer from Baltimore,

Maryland. "He followed the paper trail and it led to the computer."

When reunited with his AWOL PC, Larry expected the worst.

"There were tire tracks across the top," he says. "And about half the keys were missing."

But when he flipped the power switch, the familiar PAM screen popped up. And despite a low battery and missing keys, the machine worked like a charm.

"I know we build good stuff," says an impressed Larry, "but this was way beyond the normal abuse."



**Beneficially yours**

How good are HP employee benefits? Some of the best in the United States, according to the second annual list announced in the June 1992 edition of *Money* magazine.

First place went to Levi Strauss & Co., followed by IBM, Procter & Gamble, Eastman Kodak, HP, Merck, Xerox, Citicorp, Quaker Oats and Johnson & Johnson.

Selection criteria included an employee population of more than 10,000; generous insurance at little or no extra cost to employees; liberal vacation and leave time; and family benefits such as child- and elder-care referrals, flextime and job sharing.



**On the air**

HP has made a \$150,000 pledge to National Public Radio (NPR)—the first three-year commitment the company has made to the non-profit network in its 11-year relationship.

HP will provide \$50,000 annually for three years to support science reporting during the programs "All Things Considered," "Morning Edition" and "Weekend Edition."





ACCUGRAPH CORPORATION

Two views of the Olympic athletes' dormitory show the innovative design used by architect Lluís Cantallops Valeri. He used HP workstations running Accugraph Corporation software to design the project.

## The house that HP "built"

You won't see an HP logo or hear the company name mentioned, but when the cameras turn to the Olympic Village this summer in Barcelona, Spain, you should know that HP was involved from the ground up.

Architect Lluís Cantallops Valeri used HP workstations running MountainTop soft-

ware from Accugraph Corporation to design the Olympic project.

Lluís designed a large dormitory for the Olympic Village. The L-shaped structure rises several floors above the street.

The project contains more than 60 dormitory units and 17 shops, occupying 50,000

square meters. The building's \$11 million price tag is part of the \$3.6 billion worth of construction for the 1992 Summer Games. After the Olympics, the dormitory and the other apartment buildings in the Olympic Village will become housing for middle-class Barcelona citizens.

Lluís' automation network, in place for three years, includes HP Apollo 9000 Series 700 workstations and HP 9000 Model 330 workstations, plus PCs.

Lluís noted that the HP-Accugraph system reduced the time spent verifying dimensions and other data from one day to one hour.

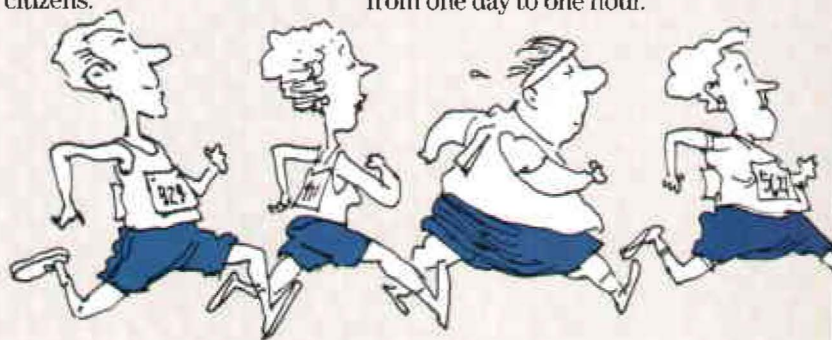
## Quoteworthy

“Not bad for a company that two years ago was considered a torpid dinosaur among fleet-footed little predators.”

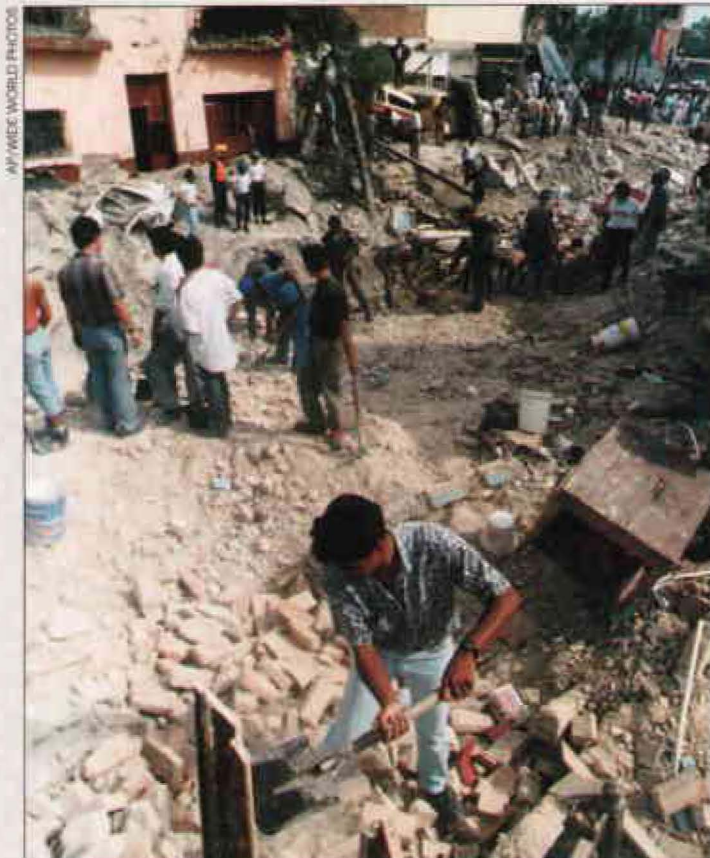
*John Jones, Salomon Brothers analyst, commenting on HP's reposition efforts, as quoted in the May 11 Wall Street Journal*

“I'll always remember Bill as my mentor and sage adviser. I feel like Luke Skywalker when Obe Wan Kanobe left.”

*Duane Hartley, Microwave Instruments Division general manager, speaking about Bill Wurst, who retired in May as G.M. of the Network Measurements Division*







Employee and HP donations totaling more than \$100,000 aid Red Cross efforts after the Guadalajara explosion.

## Gracias, HP!

HP and its employees responded quickly and generously with checks to the Red Cross totaling more than \$100,000 recently when an explosion rocked Guadalajara, Mexico.

Employees in Guadalajara and Mexico City donated \$30,300 to the Red Cross for the "Guadalajara Explosion Relief Fund," which the Guadalajara Operation matched, while the Hewlett-Packard Company Foundation contributed \$40,000.

No HP employees were injured or facilities damaged

as a result of the explosion.

The Mexican Red Cross established a temporary shelter and supported 14 others in the area. The shelters housed nearly 5,000 people and provided medical assistance, food and water.

Said Alfonso Castillo, HP Guadalajara personnel manager, "On behalf of all the employees from the Guadalajara site, we express our thanks to you for your care and concern."

## BOTTOM LINE

Hewlett-Packard Company reported a 40 percent growth in net earnings, a 32 percent increase in earnings from operations and a 12 percent increase in net revenue for the second quarter of its 1992 fiscal year, ended April 30.

Orders grew by 11 percent over the year-ago quarter.

Results for the FY92 Q2 (year-to-year comparisons for FY91 shown in parentheses): Net earnings totaled \$326 million or \$1.28 per share on some 254 million shares of common stock outstanding (\$233 million or 93 cents per share on 250 million shares); earnings from operations were \$486 million (\$367 million); net revenue totaled \$4.2 billion (\$3.7 billion).

In appreciation for the good efforts of HP people, the company announced a "Thank you" day of extra vacation in 1992.

## PROGRAM MOVES

The former Information Architecture Group has been dispersed, since its work in developing architectures and technologies for computer interoperability now moves on to product groups. Most activities now are assigned to the Networked Systems Group

(NSG) within the Computer Systems Organization, which will focus on networked systems architecture and UNIX-system-based development.

MS-DOS and MS/Windows-based development programs now will be centered within the Computer Products Organization.

## NAFO CHANGE

The North American Field Operations (NAFO) is reducing its sales regions from five to four, with changes to be completed by November 1.

In the United States, activities of the Southern Sales Region now will be split between the Eastern Sales Region and the renamed Mid-America Sales Region (formerly Midwest Sales Region).

## NEW HATS

**Christian Roy** assumes a newly created position as Grenoble Networks Division (GND) operation manager. **Andre Meyer** continues as G.M. of GND and the Telecom Networks Operation.

Within HP Labs' Computer Research Center, **Bill Worley** to director, Computer Systems Lab, and **John Limb** to director, new Media Technology Lab.





Roberto Giambone was the youngest "ambassador" in 1989.

## Ambassador baby

During HP's 50th anniversary celebration in 1989, employees from around the world were chosen as "ambassadors" and flown to Corporate Offices in Palo Alto, California, for several days of briefings by company executives, division tours and fun festivities.

One ambassador drew particular attention.

"I was three months pregnant at the time and, because of this, everyone treated me with special attention and kindness," says Ione Giambone from HP's

Campinas Manufacturing Operation in Brazil.

"My ambassador colleagues used to refer to my baby as the 'ambassador baby,' and many of them asked me to send photos of the baby when he was born."

Well, Ione has had her hands full the past couple of years, but still wanted to fulfill her promise.

"Roberto is almost three years old now," she says. "He is very smart and pretty—as you can see by the photo."

## NEW PRODUCTS

An alternative to mainframe computing, the powerful **HP Corporate Business Systems** are a new class of RISC-based business computers, both HP 3000s and HP 9000s. In a corporate computer room, they are air-cooled and require less support staff than mainframes... **OpenView 2.0 products** from the Colorado Networks Division feature an enhanced graphical-user interface and are the first based on the Open Software Foundation's Distributed Management Environment.

The first **1.3-inch disk drive module**, the HP Kittyhawk Personal Storage Module from the Disk



1.3-inch disk-drive module

Memory Division, has 21.4 Mbytes of storage space and is the size of a small matchbox. One use is in mobile computing devices... The **HP FAX-200 and HP FAX-310** are affordable plain-paper facsimile machines from the Ink-jet Products Group.

The **HP 3569A real-time frequency analyzer**

from the Lake Stevens Instrument Division is notebook-sized for portable use at test sites... Stanford Park Division's **HP 83731A synthesized signal generator**, which replaces the classic HP 8672A, is lighter in weight with improved reliability.

From the Analytical Products Group comes its first protein sequencing system, the **HP G1005A**, for analyzing protein and peptide samples... In the first major extension of the **HP Acoustic Quantification** technology introduced by the Medical Products Group last year, ejection fraction (a key indicator of the heart's health) can be measured in real time during a heart attack or surgery.

## NORDIC STRUCTURE

The European Multicountry Region has created a new Nordic structure for HP's subsidiaries in Finland, Norway, Sweden and Denmark, and the newly independent states of Latvia, Lithuania and Estonia.

**Terje Christoffersen** heads the new structure, which has distributed management rather than a headquarters. Terje also will serve as G.M. for both Norway and Sweden.



## Flower power

John Pesqueira spends many of his waking hours behind a camera, but a year ago he tried something new—still photography using a macro lens.

The result was the stunningly beautiful image (on the right) of a begonia.

"This was my first experience shooting with a macro lens," John says. "I was using the sunlight coming through a kitchen skylight. I wanted to capture something beautiful."

Most of the time you'll find John behind a video camera while on his job as a television director at HPTV. He's been a director on the *HP Video Magazine* since it began in 1984.

For the technically gifted, John offers these specifics on his flower photography:

"I used my Nikon F3 camera, a 60 millimeter f/2.8 Macro AF Nikkor lens, a tripod and a cable release. The



film was Kodak Ektar 25, exposed at f/16 and a shutter speed of one second.

"For a dramatic touch, I added a black cloth behind the flower."

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