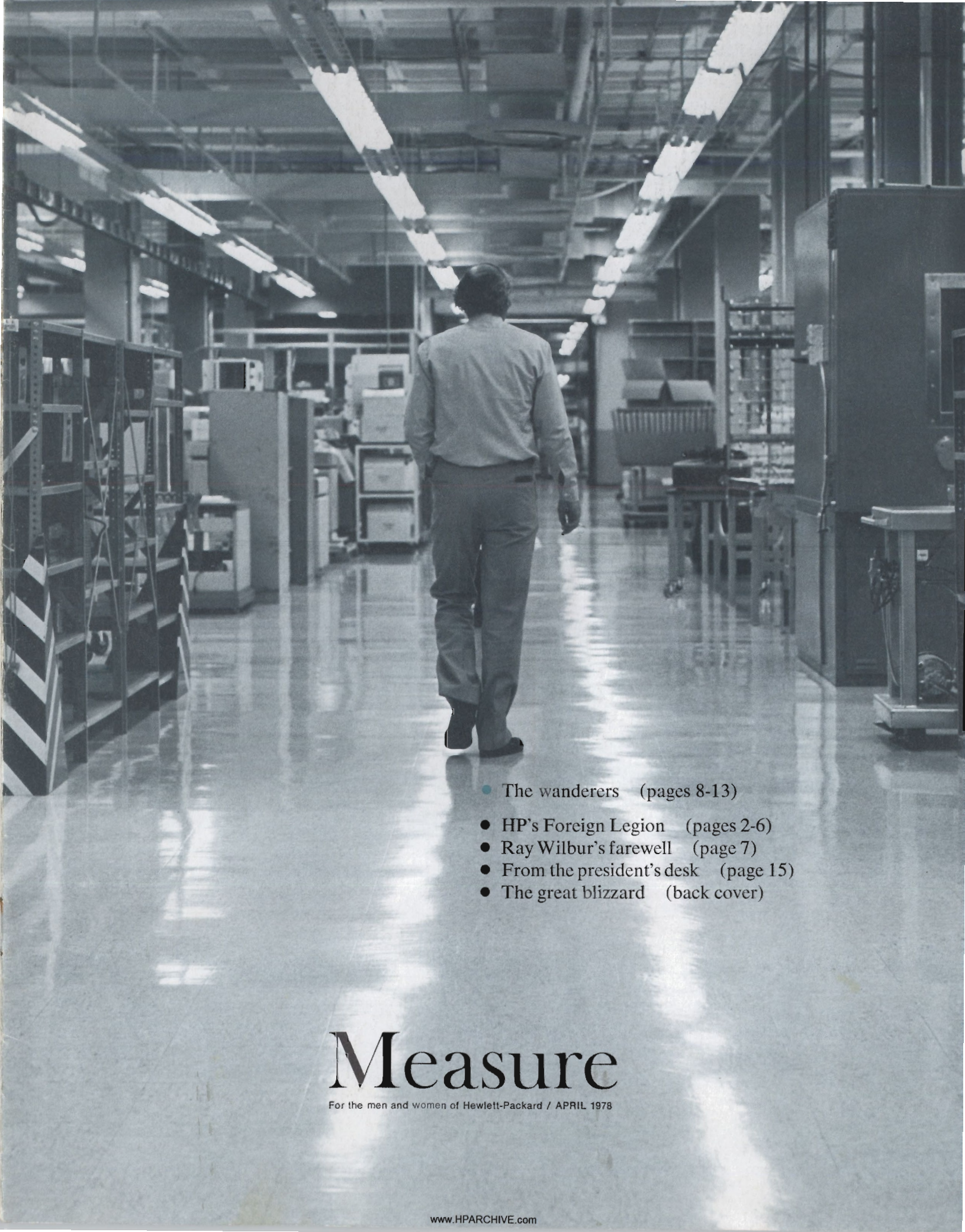


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Measure

For the men and women of Hewlett-Packard / APRIL 1978

HP's growing "foreign legion"

What's a Frenchman doing in Idaho? And why is an American employee in Singapore, a German in Brazil, a Malaysian in California? Now known as foreign service employees (It seems the former term "expatriates" had a slightly negative ring), they're part of a legion of a hundred or so HP people serving outside their own countries. In some cases they're acquiring specific experience and training they need back home. But mostly they're just contributing their skills, as we all do, where they're most needed.



The Magri family: Scott, Diane, Lauren and Jack



George Panos and daughter Lea

□ George Panos grew up in western Greece, but lived in Chicago as an adult and is an American citizen. For the past several years he's been back in Greece, as an HP foreign service employee in the Mediterranean and Middle East sales headquarters near Athens, and his next assignment is in the United Kingdom. His wife Sandy has roots in Southern Indiana and admits to feeling homesick now and then. But she's grown accustomed to Greek life — even tolerant of the goats that sometimes eat the shrubbery around their rented suburban house. A diesel automobile has helped beat the high cost of fuel in Greece (over two dollars a gallon for gasoline). And George and Sandy are proud that their first-grade son reads at better than third-grade level after attending an international school.

Such are the rewards and drawbacks of being assigned to a foreign country. For HP people and their families, the expatriate experience can be — in varying degrees — challenging, interesting, thrilling and exasperating. And the change in lifestyle can range from almost negligible to something approaching “culture shock.”

For Jack Magri and his family, who just returned to California from France, living in a French village near Grenoble for two years was “a fantastic experience.”

They tell of the slower pace of life there, of being accepted warmly by the French people, and of spending weekends and holidays motoring through the French countryside or over into Italy. For them, coming back to the U.S. was a letdown.

Neal Mack, on the other hand, was glad to be home after six months. Assigned to help establish a network of HP 3000 computers for the government of Iraq, Neal and two other HP engineers (both named George Moore) shared a three-bedroom house, with sauna, in Baghdad. Although their living accommodations were luxurious by local standards, the climate and culture of the Middle East are not easy for Americans to adapt to. Still, Neal is glad he had the experience. “It makes you look at your own country in a different way,” he explained. “I appreciate American conveniences, but I realize how unselfish those people are in comparison. We have a more comfortable life with a lot of material things, but the Arabs have much more love for one another.”

One of the first people a U.S. employee going overseas must get to know is Kathy Keehn of Corporate Personnel, who will administer the transfer and serve as the employee's personnel representative for the duration. In handling the Ameri-

can contingent of HP's “foreign legion,” she not only processes paychecks and insurance claims but often takes care of their personal affairs as well. “I just helped coordinate the sale of a house for one employee,” she said. “I represent their interests here by dealing with banks, lawyers and realtors when the need arises.”

In addition to paying the costs associated with moving, according to Kathy, HP also compensates foreign service employees for the effects of double taxation and higher living costs where appropriate. To insure that the expatriate doesn't suffer what amounts to a cut in salary, the company is guided by the State Department's cost-of-living data in addition to the currency exchange rates.

HP doesn't automatically rotate managers and professionals every few years as some companies do, but it seems there are more and more international transfers these days. The simplest explanation for the trend is that international business is growing in importance. But the maturing of the product-group structure and “verticalization” have had something to do with it too — if only by strengthening divisional ties and increasing the interaction between product divisions and sales organizations. Technology and expertise

(continued)

foreign legion

are often shared by exchanging people, and product divisions have found it increasingly advantageous to have factory-experienced people in the sales organizations.

As an analytical product support engineer at HP's European headquarters in Geneva, Frenchman Jean-Luc Truche was already familiar with Scientific Instruments Division and had visited the small Palo Alto plant before being assigned to work there nine months ago. "I knew the people here and the type of business I would be in," said Jean-Luc, although his job in R&D is far different from his role at HPSA. Professionally, he's finding his assignment in the U.S. an enjoyable as well as broadening experience. "My job in product support involved training, emergency repairs in the field and that sort



Personnel's Kathy Keehn, expatriate Dieter Hofherr

of thing," Jean-Luc said, "and there was a lot of traveling. I was tired of traveling. I have a much quieter job now."

Jean-Luc and his wife are finding their stay personally enjoyable as well. They rent a house only a few minutes from the SID plant, and the relatively short commute is one of the nicer aspects of their new lifestyle. The Bay Area, they say, is comparable to a European capital, having many of the cultural advantages of a large city without some of the disadvantages.

The cost of living is about the same as in Geneva, according to Jean-Luc, but he and his wife are living on one salary now because she doesn't have the required resident alien work permit. In Geneva she was an HP secretary.

Although HP ordinarily makes no commitment to re-hire an expatriate's spouse who has also worked for the company at home, it sometimes turns out that way. Dick and Joella Hornor both worked for HP in the U.S. and Canada before he was transferred to Greece. There Joella was a secretary for another firm ("We were in dog food and chicken feed," she said with a laugh), but she's back with HP

as a member of the "temps pool" now that Dick is with Computer Service Division in Cupertino.

Chris and Beatrix Beck were married in Europe in 1974, one week before Chris was to leave for the U.S. to join the Corporate Controller's staff. Beatrix had been an HP executive secretary and was able to continue in that capacity at Intercon headquarters in Palo Alto. They stayed three years and are now back in Switzerland.

Taking Chris's place at Corporate is Dieter Hofherr from HP Germany, whose wife Birgit was also an executive secretary in her home country. Birgit accompanied Dieter to California on a three-month assignment in 1975 and learned computer programming. Now she's landed a half-day job at HP and is taking data processing courses at a local college.

Of course, not everyone who's working outside his or her own country is considered a foreign service employee. In many locations in the United States, Intercon and Europe — particularly Geneva, which is probably the most cosmopolitan city in the world — there are a number of HP people who were hired locally but are citizens of other countries.

One of the most interesting stories of a local hire from a faraway place is that of Srinu Nageshwar, who wasn't considered a foreign service employee until recently.



Neal Mack

Srini was a young graduate in India when HP was just getting established in Europe, and he wrote to HP in Boeblingen, West Germany, in search of a job. By mail, without an interview or even a telephone conversation, Srini was promised a job if he would travel to Boeblingen on his own. He did, and stayed with HP Germany for more than 15 years before being appointed international marketing manager for Calculator Products Division in Loveland, Colorado. "I've often wondered if I would take the same sort of chance in hiring someone today," Srini mused.

HP believes that, for the most part, its operations in each country should be run by citizens of that country and be an integral part of the culture. But that philosophy doesn't preclude a healthy exchange of people. As a matter of fact, in a new country organization HP managers are often sent in as foreign service employees to start up the operation and work with local nationals, who will eventually assume the responsibility — precisely the situation that now exists in the Mediterranean/Middle East area.

The company may also broaden the local nationals' experience by rotating them through U.S. or European product divisions. Liang Wong, a Malaysian who joined HP in Singapore and went on to manage manufacturing operations in Penang, Malaysia, has been assigned to the corporate staff and several Bay Area divisions for the past three years. The experience should prove invaluable as HP moves toward rounding out its Southeast Asian manufacturing operations with additional functions such as marketing. "It's a definite advantage to work here for awhile," Liang believes. "The degree of sophistication in technical fields and in marketing are much higher, and you can see all the different facets of HP."

Beyond that, Liang feels he's simply added to his general fund of knowledge and his ability to manage. As he put it, "I think I now have a better set of skills for dealing with all kinds of people, because so much is picked up through daily living as well as on the job. Being here has been a big eye-opener for me."

There have been other foreign service personnel from Southeast Asia in what Liang feels are useful, though brief, exchanges. "We have people moving back and forth over short periods of time for specific reasons," he explained. "Occa-

sionally someone is sent over to learn about a certain product and then transfer the manufacturing to Southeast Asia. Or people come here to work and go to school on a part-time basis."

The chance to pursue advanced education in combination with working is an oft-stated objective of the foreign service employee in the United States. Chris Beck told why: "In Europe, we have only full-time schools in the day and it's difficult to take two years off work to invest in an added degree. The possibilities for going to night school in the U.S. are really great." Thanks to HP's flexible working hours, Chris was able to fit in a full day of work before attending afternoon and evening classes at the College of Notre Dame in Belmont, California, where he earned a bachelor's degree. He went on to Golden

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Jean-Luc Truche



Joella and Dick Hornor, secretary Anne Jaquenod in Athens

foreign legion

Gate University, finishing up the final work for his MBA degree in a dead heat with the Becks' departure for Europe.

If they have any leisure time after cramming the week with such activities, foreign service employees and their families usually fill that too. Liong's wife, Siew Hoon, is interested in arts and crafts, and has spent much of her stay in the U.S. collecting works and learning different techniques.

Many of them travel — often to places they may never have a chance to visit again. How many people will ever see the



Liong Wong



Srini Nageshwar

Hanging Gardens of Babylon as Dick Hornor, Neal Mack, George Moore and others have? How many would seize the opportunity to cross the Sahara, as Diane Magri did with a group of French people? (She also renewed old Peace Corps friendships in Africa.)

Jack Magri thinks HP's transfer policy enables a somewhat carefree existence for the expatriate by removing some of the everyday stresses. "It makes it automatic that most of your needs are taken care of," according to Jack. "When you're in a foreign culture, even though you're participating in it you're really sheltered and taken care of in many ways. It's when you come back home that you're awakened to reality by having to deal with things like mortgages and insurance again."

But whatever the quality or style of life in the foreign country, it's bound to be different from home. Jean-Luc Truche misses the proximity of the mountains, and hasn't traveled much in the U.S. because the distances are so great. Neal Mack found that Baghdad, with its strict religious codes, offered no alcoholic beverages, no entertainment, and no female companionship ("You do a lot of reading and jogging," he said, "and spend time just getting to know people."). In Boeblingen, Englishman Ken Miles and Frenchman Marc Pointeau talked about having to adjust to the laws and customs of a German village, where it's illegal to use an automobile horn or wash your car on Sunday. And the children of expatriates often find the international schools far more challenging. If they do well in them they may suffer from acute classroom boredom back home.

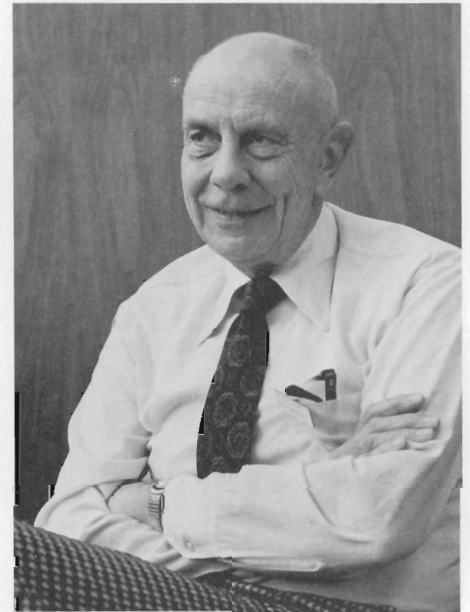
"You have to be flexible," said Jack Magri. "Some Americans go overseas and just can't accept things not being like they are in the U.S., and that's the beginning of a bad experience."

It appears that HP foreign service personnel, by and large, have few bad experiences. Being part of a company with a broad international outlook makes it easier, and knowing that wherever you go in the world you're part of the HP "family." But sometimes it's also helpful to have a spirit of adventure. □

Ray Wilbur retires:

A thoughtful farewell...

It was Ray Wilbur's final appearance before the general managers. HP's vice president-Human Resources will retire this spring after 21 years with the company. As various speakers saluted him, the words "compassionate" and "wise" and "understanding" came readily into use. In response, Ray took the opportunity to comment on his HP experience and to offer some thoughts for the future:



□ **Personnel:** "Until I took over that responsibility, Personnel was not a separate function. My instructions were to keep a low profile while developing a program as we grew. Foremen and supervisors were to continue to handle the problems of people in their departments, receiving what help was appropriate from Personnel.

"Since then, we've grown 25 times in people, 48 times in sales. Size, acquisitions, dispersion, laws and occasional poor judgment have raised the volume of red tape. The role of Personnel has consequently become much stronger."

Philosophy: "Rightly, we have convinced ourselves that we have an 'HP way.' In spite of some disappointments here and there, it is amazing how well this philosophy has been accepted in different areas and cultures.

"There has to be something to this philosophy to have survived over the years. The HP way plus the corporate objectives have provided the foundation upon which we built, changed and grew. We have proved we have leadership of substance and not just style. But we must continue to earn the right to keep the HP way.

"Perhaps one word summarizes this philosophy: caring. So long as we con-

tinue to care for profits, customers, our people, contributions in our special fields, for reasonable growth, for management-by-objectives, and for our respective communities, HP will be a special and successful company."

Organization and management: "Our growth has brought great opportunities for developing people and adapting our organization. There still is the problem of finding the right mix in managing HP, between central control and decentralized authority. Many factors and forces urge strong controls and conformity. Yet we need to resist these and to allow decentralized management to the greatest extent possible, especially where we are dealing with activities in so many countries of the world. Good judgment is not centered just in Palo Alto."

Looking ahead: "It goes without saying that we will see more problems and adjustments. A few include: more people — especially women and minorities — wanting work; more sophisticated methods and machines; inflation; the higher education level of the available workforce; growth and influence of government; more personal independence in attitudes and goals; maintaining the quality of internal communications with people; maintaining

the HP way; and selecting and supporting our supervisors.

"These 21 years have been a great experience for me. I have deep gratitude to Dave and Bill for having had the opportunity to work and grow with HP and with all of you. But we all know that 'the more things change, the more they are the same.' This is because we always come back to people. People's basic needs do not change. They will always want to have challenging work to do, be able to do it well, to have that work recognized, and to feel accepted as individuals. Regardless of anything else, we can never safely neglect those needs." □



What is this “

(and what can
we do about it?)

You're on the job, tending to business. This person walks up, leans against the bench and begins a conversation. It's friendly — but it sure doesn't seem to have anything to do with the job at hand, nor does it offer any big message about the business.

What's going on? What's the point of this unscheduled visit — if there is one?

Indeed, if it hasn't happened to you before, you might well wonder — and worry — about the visitor's mission. In any case, what kind of business would permit a well-paid manager to walk about just being sociable with busy people?

Well, in answer to all of your questions, you have just taken part in a practice which Hewlett-Packard hopes is commonplace in all its various organizations. It's called “management by wandering around.” It is friendly, it is unfocused, and it is unscheduled — but it is far from being pointless.

□ The specific concept of “management by wandering around” — MBWA — was developed by John Doyle, vice president-Personnel, during the time he held key manufacturing responsibilities in Microwave Division and later as general manager of the Palo Alto Manufacturing Division and AMD. It seemed to John that there had to be a way of describing the extra step that HP managers needed to take in order to make the HP open-door policy truly effective. It was not enough to sit and wait for people to come through the door with their problems and ideas — they probably wouldn't in many cases. The managers had better get off their chairs and go out and get in touch with people. In that way people would know the managers were accessible whenever they had something important to

management by wandering around?"

communicate. So, "management by wandering around" was coined.

Straightforward as it sounds, there are quite a few subtleties and requirements that go with MBWA. For one thing, it is not always easy for managers to do — so some of them do it reluctantly or infrequently. And, as suggested in the opening scene, its purposes are not always apparent to people — especially new HP people — at the receiving end of visits, so they may view it suspiciously and respond uneasily.

Doyle and the various personnel departments have gone to considerable lengths to break these barriers down, and to make MBWA manifest throughout the organization. It has been the subject of briefings at management meetings and seminars. A two-part video program was taped at HP-TV last year and made available to all HP organizations for training and general employee viewing. The three corporate personnel administrators — Lee Seligson (international), L. A. Fulgham (U.S./Canada sales), and Tom Lowden (U.S. manufacturing) — look for it and encourage it wherever they go on their liaison missions.

Still, another dimension is needed — you. Your understanding of MBWA is important because it's really an invitation to you to repay the visit and walk through that open door whenever you feel it is necessary.

In case you're still questioning the worth of doing that or wondering how MBWA really works, MEASURE offers the following testimony:

**John Blokker, general manager,
Santa Clara Division**

"It's really a body chemistry kind of thing. You've got to really want to wander around and communicate at all levels. If it's done insincerely, it just won't work.

"I do at least 95 percent of my communicating orally, in person. I hardly ever write a memo except when we have to communicate some common rules.

"So I spend at least two hours a day

"MBWA is not a panacea — it has to fit into the context of all the other things we call the HP way . . ."



John Flaherty

randomly wandering around. Sometimes it's not so random. If I want to learn more about a certain matter, I'll go to an area and just start talking to people. I'm fairly outspoken and I have no trouble talking in the group's own jargon. I listen to what they say and try to put myself in their place.

"I do this because I believe — above all else — that what this business or this world is all about is to build a better society. To build a better life for people — not just to make somebody rich. Profits are important because they are a kind of scorecard of how well you are doing. But you can also make the bottom line look good in many ways that aren't very nice. I don't groove on that. I groove on making people work as a team, working to make themselves secure.

"When you do that, any operation can be efficient. Because when people feel good and work as a team, they can do anything.

"I think I proved that at New Jersey. When I first went to New Jersey there were two divisions that had resulted from two acquisitions by HP. There were two entirely different management styles, both different from HP. There were two locations. The problem was how to bring them together and make them into an HP-style organization.

"It was quite a challenge. I kept saying: 'Hey, forget about where you came from. We're an HP team now. Let's talk about things.' It took several years, but a fundamental change took place. As a consequence, the division started doing much better economically."

**John Flaherty, personnel manager,
Andover Division**

"Wandering around is something quite natural and easy for me. I guess I have been a wanderer for many years — even before it was specifically identified as a communication and management technique. It adds variety to my day, maintains many personal relationships, as well as being a source of information on what's happening or what's important through the perceptions of employees. I identify wandering around with accessibility. When people see you frequently they are more apt to initiate a discussion, particularly in their environment which may be more comfortable to them.

"An important point I'd make, however, is that MBWA is not a panacea to remedy inadequate employee relations. It has to fit into the context of all other things we call the HP way, including people attitudes, mutual trust and respect, and so forth. Also, it can only be effective if we can master the elusive and difficult art of effective listening.

"As a final comment, I think of MBWA as an attitude or state of mind as well as a physical activity. A manager needs input and this is one direct way. However, I've known many effective managers who did not appear to be 'wanderers.' But through other means they maintained people's confidence and never lost sight of the need and importance of seeking out employee opinion and feelings. That's really what it's all about."

(continued)

the wanderers

Augie Stuart, manufacturing manager, New Jersey Division

"I recall a speech by John Young at a manufacturing managers meeting several years ago when he stated that 'management by overview' was not the HP way. 'Management by involvement' was more appropriate: managers should roll up their sleeves, dig in and understand what makes the operation tick.

"This seemed well suited to the New Jersey Division and to my own style. At present we have 325 people in Manufacturing, and it is still possible for me to have new-employee breakfasts where basic HP topics are discussed, review all performance evaluations, hand out profit-sharing checks with a 'thank you,' go over accident reports with the people involved, and individually greet everyone on big occasions such as Christmas. All of these help me get to know people better, and to get inputs that result in better decisions.

"Done honestly and with a feeling of openness, love, and respect it can provide many rewards and pleasures."

Peter Carmichael, general manager, South Queensferry Division, Scotland

"My office is right in the middle of the floor. There's no getting away from the action. So if it comes to a choice, I'll simply take paperwork home with me — where it's quiet — and keep my days available for whatever comes up on the floor.

"I like to wander around and visit the various areas. Usually the talk will be about personal things or family matters. It's my good fortune to be a country boy. I naturally talk with a dialect that's very familiar and comfortable for most people on the floor. So when we meet there's no feeling of crossing social or cultural 'lines.'"

Willard Harlow, personnel manager, Midwest Sales Region

"In a sales region, the headquarters manager can't do much spontaneous wandering around the territory. It's too vast, and our organization too spread out. We rely on other managers as well as the many scheduled visits to talk with people.

"Actually, dealing with employee situations in a sales region is probably different than in a manufacturing division. Sales and service people are generally

"Is it really effective? Well, things I've learned by it have led to important changes . . ."

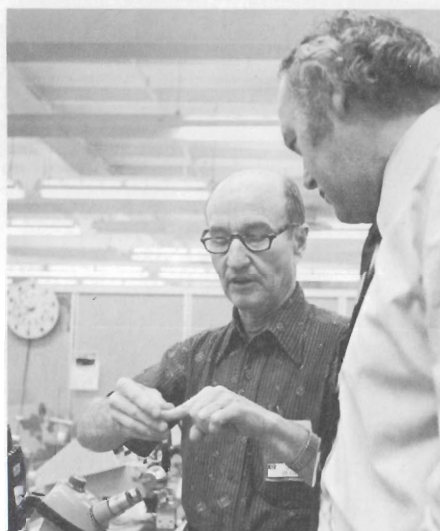


Jim Ferrell

An hour or two in the day of Santa Clara Division general manager John Blokker — fast, random, spontaneous, straight talk, friendly feelings, and a team-building spirit . . .



Off and running with a "hello" to assembler Terry Reynolds . . .



a pointer from Lou deGive, IC production engineer . . .

a "what's happening?" moment with Gwen Hefner, IC assembly supervisor . . .



gregarious. If they aren't talking to customers, then they're talking to each other or to their managers. There's usually no problem about their not speaking out when they want to be heard. During my visits they confront me with their questions, and make their points very clear.

"Our communication problem, I feel, is a certain sense of isolation — of being far from the decision makers in the corporate, division and region organizations. Employees read about things that they can't take advantage of. At one time, for example, it was the credit union. But now we've got one. The people in the 'outposts' who work out of their homes are particularly vulnerable to some of those feelings of being left out. It is tough to convince people that the advantages they have overshadow those they don't have — and I think that's true of life in the sales regions.

"On the other hand, there is the tendency for persons in the outposts and smaller offices to know more about a greater variety of product lines, because

they represent or support more than one product group.

"But there's no question that the need to keep in touch with people becomes more acute each year. We live in a fishbowl society where people are intensely aware of themselves and their organization in relation to social changes. For example, awareness of the 'HP way' tends to make people more sensitive to the treatment they receive from supervisors and others. If adverse discrimination seems to be involved — whether real or not — they are more

inclined to take action. I spend a lot of time trying to help people resolve such situations before they become hard-line problems. Looking at that positively, it suggests that more women and minority people are interested in getting ahead — and they want to be heard."

Cyril Yansouni, general manager, Grenoble Division, France

"Because of language, many people at Grenoble Division don't get the usual HP inputs.

"Also, it's more or less a tradition in our European culture for people to be reserved in their contacts with managers — and for managers to be somewhat

(continued)

"Usually the talk will be about personal things or family matters . . ." Peter Carmichael



an "old timer" story from assembler Dawn Coughenour . . .



a "show me" session with Michael Miinch (left) and Dave Keller of Instrument test . . .



a "how-do-I-become-a-technician" discussion with Antje Greenstreet of IC test . . .

the wanderers

conservative in their contacts.

“So we have to take every opportunity to communicate with our people. Every week I’ll try to spend several hours wandering around — talking with new employees, introducing a new product, or visiting an area that’s changed. Every month we pull all the 360 or so people together to talk about business or any topic of interest. We also have regular meetings of supervisors where we try to give them as much feedback as possible.

Another useful communicator is the division nurse. In addition to her medical duties she does a daily round of the plant, talking with people and finding out how they feel about themselves. In that sense she’s a bit like the ‘housemothers’ you used to have in Palo Alto . . .”

Bill Parzybok, *general manager, Loveland Instrument Division*

“People should expect to see a manager wandering around, and it should be a regular thing to do. But it’s when times are tough that it becomes critically important. People really can imagine terrible things, and worry about their jobs. They need to see that you are not

discouraged or panicked.

“Personally, I like to wander around during coffee breaks — as many as I can during the week. People are relaxed then. Since it’s like any other social situation there shouldn’t be any problem in starting a discussion.

“The point is I really enjoy it. I’m interested in people, and I want to meet all new employees. And I encourage the other managers to wander around.

“There are some real purposes to it. HP people want to be proud of their work. They will be if they know you’re interested. The feedback I get is useful, and sometimes at the weekly staff meetings we talk about the issues and concerns we’ve heard on the line.

“Overall, I feel MBWA is an important expression of the company’s style. It’s a key ingredient in a successful ‘open-door’ policy. And it reduces the ‘we-they’ attitude which is a very unhealthy attitude.”

Jim Ferrell, *general manager, Manufacturing Division, Palo Alto*

“Personally, wandering around is not always an easy thing for me to do. I can sense that some people are intimidated by authority, and that bothers me. So I tend

“People want to be proud of their work — and to know you’re interested.”



Bill Parzybok

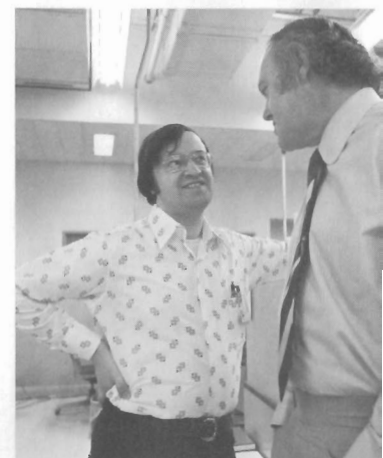


a conference with instrument manufacturing manager Doug Austin . . .



a surprise from June Kuhnley, PC department . . .

a get acquainted meeting with assembler Sylvia Barnes . . .



to develop specific opportunities for making contacts. It comes out about the same as pure random.

"The important thing is to be sincerely interested in the people you meet. In doing that, you will eventually discover what people's real concerns are and also get a sense of how business is going in an area. Do they seem to enjoy what they are doing? Is it going well?"

"It's important to be spontaneous. I found that out when Manufacturing Division used to have four locations. People looked on visits as more or less official events whereas I simply wanted to wander around. That's another argument for a close-knit organization.

"People may wonder if MBWA is really effective. Well, there have been times when things I've learned about pending changes from people in the shops have led to some important modifications. And by learning some things early on we've been able to head off various problems.

"Everything works much better and easier when people understand what we're trying to accomplish."

Lew Cantwell, manufacturing manager, Corvallis Division

"The reason MBWA works is because people at all levels want to *belong*. They want to be recognized and to feel that someone gives a damn.

"Yet it's not all that easy to do. At a certain level you find yourself dealing administratively with more and more matters of an impersonal nature. It becomes harder to realize that behind some of these matters are people who need communication and some reassurance that their views have been noticed. You have to make a deliberate effort to get out of your chair.

"I make it a point to get around in as natural a way as possible and to meet people in their own environment where they are more comfortable. One thing I do, for example, is to come into the plant through different entrances so that I'll pass through departments I haven't visited for awhile. I'll take a coffee break

in different locations and introduce myself to any new people and talk over all kinds of subjects. Weekly lunch meetings with various departments also uncover a lot of interesting discussions. I don't like to make idle chatter, but on the other hand I don't want to pound away on a problem. I do want those people to know me a little better and I want to know more about them.

"It comes down to building people's confidence that they can be open with you — that you're not there to probe or to trap anyone. At the same time, when someone does come to me with a work problem, the first thing I want to know — without turning them off — is 'Have you talked it over with your supervisor?' I like to give them first option of doing that because that's where the problem eventually has to be solved.

"At Corvallis we haven't quite got to the point where people have full confidence in the HP way. Most of the many new people have never worked in an HP-style environment. It will take time, but we'll get there." □



a laugh with assembler Jean Kudelka . . .



a light from Dave Johnstone, section manager . . .



a question for Skip Ross, lab manager (DSA-Lasers) . . .



. . . and now who's next?

a consultation with Steve Upshinsky, production engineer . . .



Power to the peoples' wrists . . . As their bus approached the entrance to Corvallis Division, some of the 84 visiting HP consumer-products sales reps from around the world were alarmed at the flag-waving crowd gathered there. "What is this: a strike? Or a lockout?"

In fact, it turned out to be a rousing welcome to the February sales seminar by almost 1,000 employees. They wanted their guests to know that, in spite of the seasonal chill, the Oregon organization stood warmly behind them in their selling efforts.



Here you see the 1000th HP 3000 Series II computer system getting some special attention prior to shipment in January. The customer was General Mills which already has a number of identical systems installed and on order. Given the price range of Series II systems (on up from a high five figures), plus the strength of prospects in general business applications, the above shipment can be considered a significant landmark.

Joint managing directors named for Hewlett-Packard Ltd.

PALO ALTO — David Baldwin and Peter Carmichael will become joint managing directors of Hewlett-Packard Ltd. in a restructuring of the top management of HP's manufacturing and sales subsidiary in the United Kingdom following the resignation of managing director Dennis Taylor. Taylor, who has been with HP since 1962, will leave the company March 31 to form his own business.

Baldwin, who has been serving as European Instrument marketing manager at HPSA headquarters in Geneva, will be responsible for HP's marketing and sales activity throughout the U.K. He will be located in the U.K. sales headquarters in Winnersh, England.

Carmichael, in addition to serving as joint managing director, will continue to serve as general manager of the South Queensferry Division in Scotland as he has since 1975.

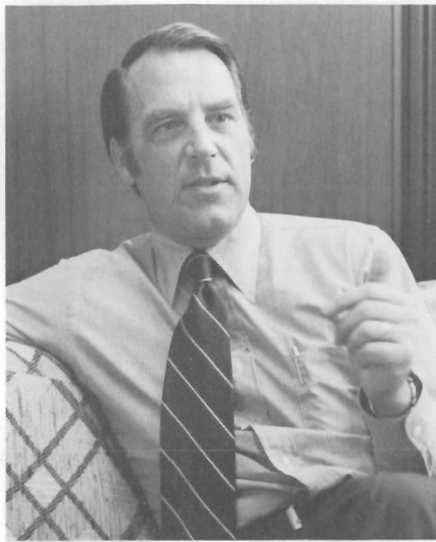
Shareowners approve accounting firm change

PALO ALTO — At their annual meeting on February 28, Hewlett-Packard Company shareowners approved the appointment of Price Waterhouse & Co. as the company's independent public accountants for the fiscal year ending October 31, 1978. On November 18, 1977, the company announced that its board of directors had voted to propose the change from Main Lafrentz & Co. to Price Waterhouse.

Combined post for U.S. sales region facility coordination, fleet management

PALO ALTO, CA, March 10 — Mike Talbert, Neely Sales Region operations manager, has been named to the newly combined assignment of U.S. Sales Facility Coordinator and Corporate Fleet Manager, effective April 1.

He takes over the latter function from Stu Kingman, who is leaving Hewlett-Packard to go into ranching and recreational land development.



From the president's desk

One of the most enjoyable meetings I attend over the course of the year is the European management meeting. It is held about a month after the annual HP general management meeting here in the U.S. (reported in last month's *MEASURE*), and its purpose is to cover key management topics with a broad representation of European sales and manufacturing managers. An important side benefit for those of us visiting from the U.S. is to get some formal, but a lot more informal, input on subjects ranging from currency fluctuations to getting spare parts for computers in Iraq.

I say this is an enjoyable meeting not because it is held in the highly scenic Swiss Alps location of Villars — although that is certainly a plus — but because it is an opportunity to get together with this capable team of over 100 managers who have responsibility for an area that provides one-third of HP's total business, and to learn about the imaginative ways they are representing HP's interests in a diverse and complex environment.

To recap a few statistics, we have over 3,300 employees in Europe involved in sales and service alone. This is nearly 10 percent of HP's total employment. Many of the HP products sold in Europe are imported from our U.S. plants, but we also have four manufacturing locations which produce certain U.S.-developed products for the European market as well as developing proprietary products for worldwide distribution. Another 2,300 people are involved in those activities.

The customer coverage is impressive. In the 11 major European countries, we have sales offices in 41 cities. From our eastern headquarters in Vienna, we serve eight additional countries with HP offices in five of them, including Moscow. Athens is our center for serving Mediterranean and Arab countries with offices in Iraq and Iran.

It is a tribute to the people involved that the high

standards of service and support that are characteristic of HP are faithfully extended to even the remote areas of international operations.

HP's overall business gains balance and stability by having a worldwide sales base. This is particularly evident right now. In 1977, HP's U.S. orders rose an impressive 30 percent over the previous year. We expected the pace would slow in 1978, and indeed it has as the domestic economy cools a bit. We are very pleased, however, to see the strength in European orders. For the first quarter of 1978, we were well ahead of quota and showing increases of over 30 percent. Countries that are particularly strong are the United Kingdom, Germany, Belgium, Norway, Iran, Saudi Arabia, and all of Eastern Europe.

Our managers report that two factors are helping international order volume. First, and most importantly, key countries' economies are moving up from last year's low levels, reflecting the typical 9 to 12-month lag behind U.S. economic cycles. Secondly, the well reported decline in the dollar as valued in key European currencies makes imported HP products relatively less expensive and, therefore, more competitive in the marketplace.

Overriding this we have an excellent offering of new products that are selling well in Europe, as well as in the U.S., and over the long run this is the most important factor of all in generating satisfactory order levels.

While we are not without our problems, including increased U.S. government regulations on sales to many countries, our program looks strong for the year, and we have a solid team in place to take advantage of it.

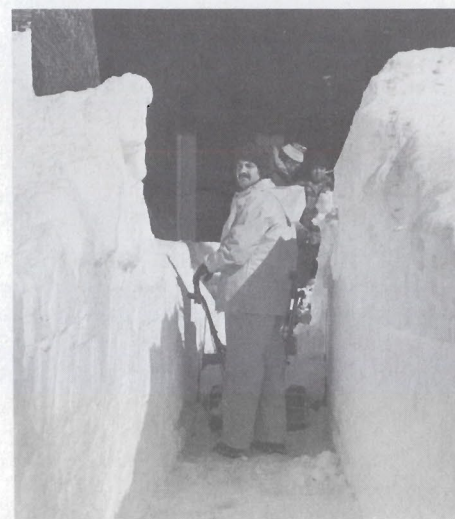


The great blizzard of '78

What looks like the makings of a ski resort is actually the entrance to our very own Waltham Division following “the Great Blizzard of 1978.” The photos help explain why the plant was closed for nearly a week following almost 30 hours of record snowfall in the northeast U.S. The drift that Tony Storella of the maintenance crew is clearing is typical of those that piled up against homes, roadsides, stores and businesses.

Meanwhile, the roads were blanketed and Highway 128 was the scene of thousands of stalled and buried vehicles. The scenes were filmed by photographer Ernie Whitenack who spent the week snowed in at a motel near the plant.

One fellow the downfall failed to deter was Ed Martin, a test technician in manufacturing engineering. The day after the storm, Ed showed up for work — as he always does — after a 10-mile walk from his home in Arlington. He recalls it as the most beautiful day — quiet and clear — he can remember.



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