



réalités

Work-Out II report

Runtagh: "Execution of GEIS strategy critical"

GE Information Services held its second Work-Out meeting in December at the International Training Center in Rockville.

Hellene Runtagh, participating in her first Work-Out session as president of GEIS, was joined by GE Communications & Services Senior Vice President Gene Murphy, and members of the GEIS Staff. During the feedback segment, the management team listened and responded to GEIS employees from around the world as they shared their ideas to improve the business in five preselected areas key to GEIS' competitiveness.

Below are the major business issues that the break-out teams addressed:



GE Communications and Services Senior Vice President Gene Murphy (left) and GEIS President Hellene Runtagh during a presentation at GEIS' second Work-Out session.

Communicating the Strategic Plan

GEIS management is committed to a strategy that focuses on 1) providing high-value, quality products and services to specific global, vertical industry markets; 2) participating in Network Based Services, primarily in the small customs area; 3) exploiting new technology; and 4) providing standard applications (i.e., EDI, E-Mail, etc.) to maintain full-service capabilities for global clients.

The GEIS strategy for 1990 is set. It will not change. In fact... "The strategy we have today is the same strategy we had when Jim McNerney was here," said Runtagh. "The strategy itself is

not open for debate. We believe in it. Gene (Murphy) believes in it. And GE believes in it. Now it's up to all of us to execute it."

While Runtagh made it clear there would be no changes to the content of the strategy, she said discussion about the *execution* would—and should—take place.

Measurements and Goal Setting

The Work-Out participants looking into this area felt that, in many cases, business goals and measurement systems needed to be more in synch with business strategy. Other processes such as reporting

systems needed to be continually monitored for relevancy, and that employees taking part in IN-\$TEP (primarily a U.S. bonus program for non-variable compensation personnel) needed to better understand the program.

Empowerment

The employee group that studied this area felt employees would be more empowered to act if they had a more complete understanding of the business, roles were better defined, and the day-to-day communication process was enhanced.

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Once again, this check mark serves as a symbol of the many recommendations that have been approved during the second Work-Out session. In this issue, first the approved decisions are reported, followed by those that were rejected and those that continue to be under study.



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Customer Service

The group looking into improving GEIS' client service recommended additional training for Client Services personnel, as well as structural changes, upgraded tools, and more detailed measurements.

Sales Process

The participants in the group assigned to look for improvements in the sales process felt that GEIS was keeping too low a profile in the markets it serves, in comparison to many of its competitors.

The very structure of the organization and the mechanisms in place to do the job were also seen as a roadblock to success in many cases.



Photo, right, of GE Communications and Services Senior Vice President Gene Murphy during his presentation

APPROVED

The following recommendations were approved during the Work-Out session.

Recommendation: Simplify the current mission statement so it's understandable, consistent, client focused and relevant to employees.

Decision: Hellene Runtagh and her staff have agreed to rewrite the mission statement to make it more understandable.

Recommendation: Clarify and globalize the current strategic plan before communicating it throughout the business.

Decision: Paul Zoukis will document the rationale for the specific industries that GEIS has chosen.

Recommendation: Create a process for defining Department business plans and creating individual objectives that support the overall GEIS strategy.

Decision: This process will be driven down throughout the organization after the late January management kick-off meeting in Coral Gables.

Recommendation: Since mid-level management buy-in to the Strategic Plan is critical, discuss it at Coral Gables and drive it down to next level of management.

Decision: A full half-day has been

set aside for GEIS' global management team (Staff and their direct reports) to discuss the strategy at the management meeting. Additional discussions will take place at the next management tier when the GEIS Staff visits

"The Strategy itself is not open for debate. We believe in it. Gene (Murphy) believes in it. And GE believes in it. Now it's up to all of us to execute it.."

Hellene Runtagh

ASPAC, Europe and North America during January and February.

Recommendation: It was felt that, while strategies have changed over the years, programs have not. Recognizing this, management should eliminate those programs that don't support the current strategy.

Decision: All GEIS employees are asked to evaluate current programs and work to elimi-

nate those which don't support the GEIS strategy.

Recommendation: Create and communicate an investment plan that supports the strategy and then provide feedback on how the funding is allocated.

Decision: Steve Waechter and Paul Zoukis have agreed to explore ways to communicate overall allocation data that clearly indicates where GEIS is investing.

Recommendation: Provide more frequent and detailed feedback on variable compensation performance.

Decision: Bill McGowan and Tom Hill will have a plan in place by 1Q 1990.

Recommendation: Eliminate outdated reporting systems through a formal contest.

Decision: The concept is supported. However, no formal contests or similar programs will be edicted by GEIS management.

Recommendation: Provide an understandable explanation of IN-\$STEP and a progress report on this five-year program. Also, as IN-\$STEP-like programs are implemented globally, assure that the GEIS operating margin is used as a common measure for funding.

Decision: Bill McGowan will

work with Employee Communication to assure understanding of the IN-\$TEP program and its progress by the end of 1Q 1990. Current plans intend using the GEIS operating margin as the common funding measurement for all non-Sales, variable compensation programs.

Recommendation: Publish worldwide rules and criteria for Markmakers selection and announce winners with their accomplishments.

Decision: Hellene Runtagh said she would evaluate the program and communicate its selection criteria in a first quarter edition of *realites*.

Recommendation: Use the Finance headcount number as "the" measure.

Decision: Finance's headcount numbers will be used for measurement purposes; however, the active headcount number used by Human Resources is still required for recruiting purposes.

Recommendation: Review utilization of technical resources.

Decision: Hellene Runtagh and her staff agreed to do this.

Recommendation: Place the Powers Reserved document and 10 Key Objectives on-line in InfoTalk.

Decision: Jack Mulford will take the lead to ensure this happens.

Recommendation: Review the U.S. facilities policy for consistency with our management practices in the '90s.

Decision: Steve Waechter has agreed to review the policy.

Recommendation: Provide a detailed analysis of client complaints to target, and then resolve high-impact problems.

Decision: Hellene Runtagh said this was very important and would be factored into a study to be done.

Recommendation: Expand and enhance new-employee orientations.

Decision: Jack Mulford will look for opportunities to do this.

Recommendation: Eliminate un-

professional internal sales gimmicks like the recent Client Services puzzle.

Decision: Approved.

Recommendation: Open up client lists for a client grading system, and add a facility to the client grading system to note "improving" and "better than normal" service.

Decision: A program to achieve this is currently being developed by Marketing to be approved by Hellene Runtagh.

Recommendation: Measure Marketing on a quarterly basis using goals agreed to by Sales and Marketing.

Decision: Paul Zoukis will look at the top-10 items of product selection and development, and review them on a quarterly basis.

Recommendation: Create a business review board comprised of Hellene Runtagh and appropriate Staff members for the purpose of deciding whether to pursue high-impact opportunities.

Decision: A business review board already exists; however, Staff will work to strengthen communication of the process.

Recommendation: Institute a businesswide program asking all GEIS employees to respond to colleagues' questions within 48 hours.

Decision: No formal program will be developed but the concept, which reinforces respect and professionalism, is fully

endorsed. Employees will be asked to take the lead and be responsive when called upon by fellow employees.

Recommendation: Reinstate training for global account management.

Decision: Jack Mulford will work with Frank Hart to reinstate the program.

Recommendation: Using Apple as a model, assign a "champion" to GEIS' top 25 clients.

Decision: Hellene Runtagh said implementation would take place during 1990.

Recommendation: Develop tools to enhance account management to include: handbook, industry and international meetings, integrated client information systems and ADM for client to require identification of country of use integrated with mailbox.

Decision: North America Sales & Services is in the process of developing an industry market and key prospect document to more clearly delineate industry vs. geographic boundaries at the account level. John Barber (ASPAC), Geoff Wiggin (Europe) and Mike McDowell (North America) have been appointed as the key individuals to surface any international account management problems to for resolution. In addition, each GEIS industry will continue to develop a training plan for its sales and pre-sales technical people on an annual basis.



Participants during a break at the second GEIS Work-Out session. (In the foreground, from left to right): Harald Kreuzer, Ben Bruggeman, and Walter Schmitz.

Recommendation: Define and communicate which accounts and businesses belong to whom.
Decision: Sales VPs have responded to this point. Global

Forums will be used for "coordination" if the need arises.

Recommendation: Train our client interfaces to become

better negotiators.

Decision: This will be included as part of the AHRR process. A negotiating skills course will be offered to client interfaces.

REJECTED

The following recommendations were rejected:

Recommendation: To enhance the link between individual and business goals, complete overall division and department goals in September before AHRR.

Decision: GEIS business goals will continue to be completed in December. Session-I business goals, developed in July, change very little and can be used as the basis for each coming year's goals. Final modifications should be a top priority in December. It is the responsibility of all managers to enhance employees' ownership of the goals and to provide regular feedback to their employees.

Recommendation: 1) Communicate the rationale behind headcount targets and define what a "head" is; 2) provide the guide-

lines to add head-count; 3) hold managers accountable for headcount that's both over and under target; and 4) provide guidelines for when and how to use contractors.

Decision: Since guidelines would reduce managements' flexibility and responsibility to manage the business, no guidelines will be developed. Staff will continue to manage their headcount and communicate the rationale within their organizations.

Recommendation: Place monthly "significant events" reports in InfoTalk on the bulletin board.

Decision: Because of the proprietary nature of "sig event" reports, it would require significant effort to develop a second version of the report.

Recommendation: Keep on-line product schedules current and

realistic.

Decision: While there are some benefits to an on-line reporting system, this detracts from dialogue between concerned parties and results are not believed to be as effective.

Recommendation: Conduct annual assimilations for every GEIS manager with direct reports.

Decision: No annual requirement will be edicted. Managers need to use assimilations, as well as other tools, to enhance open communication and dialogue to build more effective teams.

Recommendation: Convert Client Services reports to InfoTalk and eliminate hard copy distribution.

Decision: Individuals should request that their names be removed from a mailing list if they do not want to receive copies of reports.

STILL UNDER STUDY

The following recommendations are under study:

Recommendation: Allow management discretion for "acts of God" that affect IN-\$TEP performance measurements.

Decision: Hellene Runtagh said a final decision, which maintains equity across the business and the spirit of "one team", would be made by February 1, 1990.

Recommendation: Change ADM/Billing systems to stop user number lockouts to facilitate worldwide account control.

Decision: Steve Waechter will look into it.

Recommendation: Develop an on-line database of client profiles, application information, history, etc.

Decision: This is still being discussed and a final decision will

be communicated in next month's follow-up report to employees.

Recommendation: Define the role and responsibility of worldwide account managers.

Decision: Haskell Mayo made a commitment to look into this with Giuliano Venturi and D.J. Crane.

Recommendation: Develop global standards for the software and hardware used in presentations.

Decision: An ISMP group is currently studying this; funding and resources are an issue. So far, the following progress has been made: 1) the Mac Ici has been identified as the appropriate workstation for administrators; 2) Microsoft Word 4.0, Microsoft Excel, MacDraw II.1.1, Power Point and Microphone II have been identified for standard

software; 3) Wang documents have been converted to the Mac and Wang computers have begun to be sold; 4) Rockville administrators have received Mac training, with field administrator training scheduled for early February. Central funding and distribution of Macs for administrators is still being explored.

Recommendation: Have a global PIC system for available positions.

Decision: Jack Mulford will explore the opportunities for a global PIC system.

Recommendation: Drop the annual software maintenance fee.

Decision: Paul Zoukis will make a final decision on this by the end of February 1990.

EDITOR'S NOTE: Since a study is currently being done on all Client Services Operation (CSO)

