



réalités

GE addresses customer satisfaction issue

A GE officer at a Work-Out session isn't news. After all, the company's leaders have been involved in their business' Work-Out process since it began two years ago.

However, a Work-Out session composed *entirely* of GE officers is unique. And that's just what occurred last month in Phoenix, Arizona when the attendees at the Corporate Officers Meeting spent the morning in Work-Out groups wrestling with customer issues of company-wide importance.

GE Information Services President Hellené Runtagh, who attended the meeting with Communications & Services Senior Vice President Eugene F. Murphy, led one

of the session's five customer service breakout groups.

The intent of the meet-

"During the next 18 months, every Work-Out session at GEIS will be dedicated to increasing customer satisfaction."

— **Hellené Runtagh**

ing, according to GE Vice Chairman Larry Bossidy, was to share ideas across

businesses.

"The 1990s will be a buyer's market...a customer's market," said Bossidy. "I doubt there's anyone in the room who believes our levels of customer satisfaction across the company are where they should be. We may have improved in some areas during the past few years, but our improvements have been, in effect, negated by the rapidly rising bar of expectations among GE's customers."

To attack the problem, the officers were divided into five groups — each with a specific set of questions to explore. Members within each group had a month prior

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November 1990

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GEIS reports third quarter quality numbers

GE Information Services' quality numbers were stellar during the third quarter, exceeding 1990 goals in all but one area. With the exception of Communication's avail-

ability mark, all of GEIS' third quarter availability and client satisfaction numbers were better than their 1990 measurement targets. Currently, all year-to-date numbers are either at or above goal.

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NUMBERS



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GEIS' Edison, Hench participa

GE Information Services' investment in nine special people has netted the business immediate returns.

GEIS' first-ever Advanced Course participants culminated eight weeks of grueling work by presenting their completed projects to GEIS President Hellene Runtagh, members of her staff, University of Maryland faculty and representatives from GE Corporate. The project work, which was greeted enthusiastically, centered on enhancements to GEIS' network monitor and BusinessTalk's Request For Development feature.

The nine individuals are participants in the newly formed Edison Engineering Program (EEP) and Hench

tential college graduates, while the HSP works to further develop outstanding GEIS employees.

Each Edison participant is required to complete the first two years of GE's Advanced courses, while Hench Scholars must complete all three years. What makes these courses doubly difficult is that they need to be completed in addition to a regular work schedule.

"It was extremely challenging — but when it was all over, I think we all felt good about what we had accomplished," said Walt Meffert, a University of Maryland graduate who is part of the four-person Edison team. Meffert's colleagues include Robert Gottshall (Bucknell), Brian Rosenbloom (Columbia) and Scott Moe (Purdue).

The Edison's project was essentially conceived by GEIS' John Wittenberg. He was looking for a way to make it easier to extract important information from

"NMON," GEIS' network monitor.

"NMON, in its current state, scrolls lines and lines of text across a screen," said Meffert. "It makes it very difficult to monitor network events. What we were able to do was change the representation of NMON so it displays the information graphically. We're told this development will make it easier to monitor network events and train those

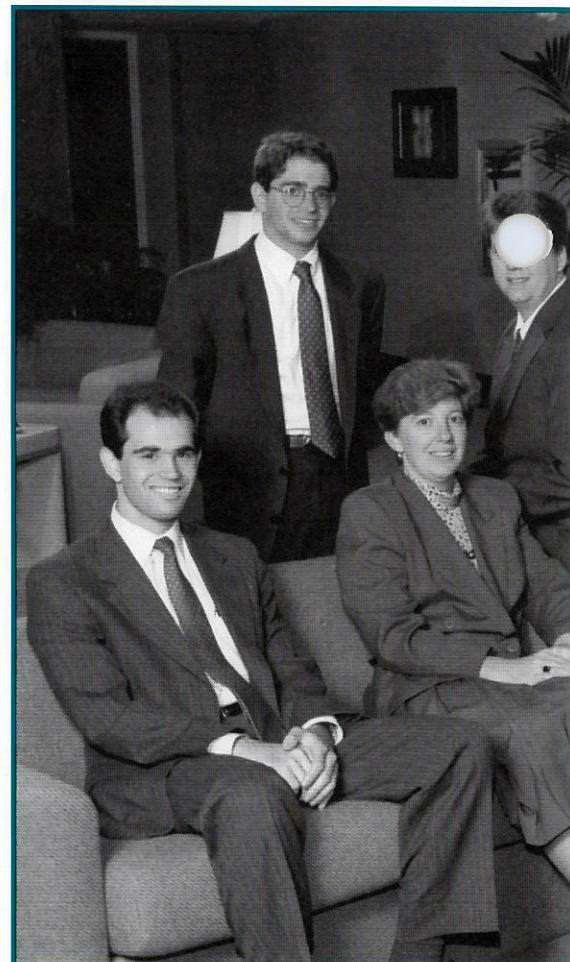
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"Completing this project is probably the single hardest thing I've ever had to do..."

***— Rachele Lemieux,
Hench Scholar***

Scholars Program (HSP), named in memory of former GEIS Vice President Robert Hench.

The EEP is a GE program aimed at attracting high-po-



its paying dividends right away

people responsible for the network.”

The Edison's project is currently undergoing further enhancement and testing by Wittenberg's group in Brook Park.

Like the Edisons, the Hench Scholars went through a highly selective screening process prior to being selected for the program. The five people chosen were Rachelle Lemieux, Russ Quinn, Dottie Ewing, Joel

Hack and Eric Dixon.


The Hench Scholars' project was recommended by BusinessTalk's product manager, Liz Litkowski. She was interested in developing a more user-friendly interface for the existing Request For Development (RFD) system.

“We learned a very valuable business lesson from this experience,” said Lemieux. “It took a while, but we finally figured out that getting a

product out the door on schedule requires everyone to set aside their personal preferences and work to achieve the team objective. We also learned how to divide things up. At one time or another, each of us assumed a leadership role.

“Completing this project is probably the single hardest thing I've ever had to do. But in retrospect, knowing we succeeded made it all worthwhile.”

The end result of the Hench Scholars' work was a user-friendly interface that can be placed on the front end of the existing RFD. There is also a possibility the work can be adapted for other existing applications, like the Quality Defect Report.

From the very outset, both the Edison and Hench programs were viewed as long term investments in the future of GEIS. Happily, the returns appear to be paying off even faster than expected. 

GEIS' first Advanced Course participants (left to right): Joel Hack, Brian Rosenbloom, Dottie Ewing, Russ Quinn, Walt Meffert, Rachelle Lemieux, Robert Gottshall, and Scott Moe. Not pictured: Eric Dixon.



PHOENIX

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to the Phoenix meeting to exchange thoughts and plan approaches. Then, at the session, walls blossomed with flip-chart paper as discussion bounced from participant to participant. Ideas sparked other ideas — even disagreements — as processes and approaches were debated.

"It's clear that we still have a lot to learn about satisfying our customers," said Runtagh. "But GE is committed to doing whatever it takes to close the gap between expectation and performance. All of my colleagues are as ardent about imbedding customer satisfaction into their organizations as I am about seeing it become a way of life here at GEIS."

"While many of the answers to the issues we explored are still forthcoming, we are sure of one thing: standing on a soap box and extolling the virtues of customer service doesn't work. Management has tried that approach in the past and it's failed miserably. If customer satisfaction levels are to rise at GEIS,

personal ownership has to be taken by every one of us."

Runtagh added that the drive for complete customer satisfaction can't take on the form of a "t-shirt and coffee mug program."

"Programs have a way of vanishing," said Runtagh. "Culture doesn't."

The morning session at the Corporate Officers Meeting proved only long enough to scratch the surface as new issues and questions were raised. A prime example was the realization that much of GE's customer-focused resources are directed toward

"Programs vanish. Culture doesn't."


negatives — correcting mistakes, solving problems, settling disputes. The question asked was, "How can the focus be shifted to error-free execution the first time?"

Work-Out may be a first step toward shifting the focus.

"With the exception of the next Work-Out, which is focusing on our administrators, all other sessions at GEIS over the next 18 months will be totally dedicated to increasing customer satisfaction," said Runtagh. "As a services business, our fortunes are determined by the quality of service we provide. Finding better ways to satisfy our customers should always be our top priority."

As with most Work-Out sessions, the one in Phoenix was just a beginning. The five groups of officers have now been charged with carrying their recommendations forward. Some will be implemented and others will be presented for further discussion among the broader group of GE management at January's Operating Managers Meeting in Florida.

"We've just begun," said Bossidy. "You and your organizations are challenged to keep the issue of customer satisfaction alive. Each leader must take steps to understand firsthand the status of customer satisfaction in their businesses."

"There are many issues of importance to GE. Among them are the environment, tearing down organizational barriers and, obviously, the need to make our financial numbers. But customer satisfaction could be the rally point around which all these others come together. The coming decade will demand nothing less." 

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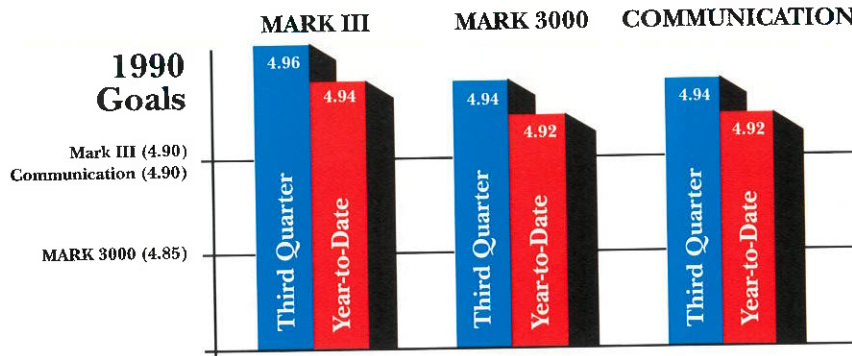
GE's senior managers recently held a Work-Out meeting in Phoenix that focused on improving customer satisfaction.

QUALITY

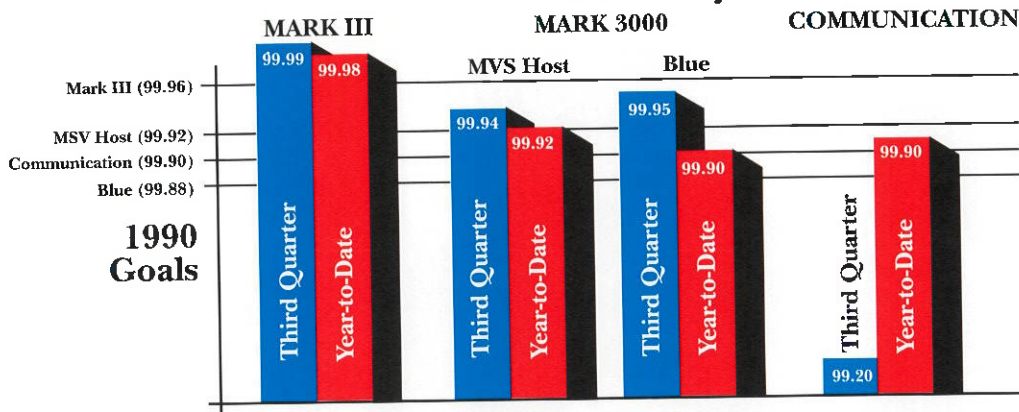
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Here's a look at the third quarter quality numbers: (1990 goals appear in parenthesis left of the chart. Year-to-date totals are through Fiscal Week 42 for Availability, and through FW41 for Client Satisfaction.)

Client Satisfaction



Availability




Measurement process to change

The client satisfaction numbers shown above are currently derived through daily customer feedback using a "representative sample" of GEIS' total client base. Over time, this system has proven to be a very good indicator of client satisfaction. However, the system has more of a product orientation than a client's view of GEIS' total service.

While this is an important measurement, it does not provide all of the information necessary to improve performance in key areas. Therefore, the methodology used to determine client

satisfaction will change in 1991. The goal will be to uncover root causes where clients are least happy and, over time, meet or exceed their expectations.

Once finalized and implemented, the new process will measure a greater variety of satisfaction influencers: pricing, contracts and account support, to name but a few.

"Client data will be quantified to reflect the overall quality of service clients receive, as measured against *their* service expectations," said Matt Mulligan, manager of Worldwide Client Services. "The end result should be a more all-encompassing view of total client satisfaction requirements." 

Global GEIS team developing new revenue reporting system

A new internal revenue reporting system is being developed by GEIS' Information Systems employees in London and Rockville. When finished, the system — called REV*VIEW — will provide a wide array of up-to-date information for GEIS managers worldwide.

"For a global industry-focused business like ours, this kind of data system is absolutely essential," said Barry Aston, manager of GEIS' London-based International Information Sys-

tems group. REV*VIEW will provide a global perspective for GEIS management in the following areas: revenue, and profitability by industry, product and client.

For all of its strengths, REV*VIEW will not be all inclusive, however. "Some of our existing systems will remain intact," Aston said. "We won't need to incorporate all the data presently found on other systems. But as we begin to bring data together, we'll eliminate existing systems to

database group in Rockville. And Margo Brazier, from Sales & Marketing Information Systems, is project managing the client interface and development effort in the U.S.

"It's my job to collect requirements from Mark Tucci (the system owner in Finance) and internal clients in Marketing and Sales," said Brazier. "I'm also working to input data from our STAR billing and order entry systems.

"And, finally — when I have to — I make sure my colleagues across the sea are heard loud and clear," she said with a laugh.

There is a shared commitment among REV*VIEW's development team in that each member wants the system to work well from the outset. The reason for this is clear: "We can build a lot into the system," said Aston, "but only the system can build confidence in its users..."

"We have taken a deliberate, phased approach to this system," he continued. "We have every intention of expanding this system over time, but we will not sacrifice quality for the sake of expediency. That's why existing systems will not be eliminated until we're comfortable REV*VIEW has adequately replaced them."

Prior to any developmental work taking place, a number of in-depth interviews were conducted with GEIS managers worldwide. In addition, a great deal of

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Finance's Tom Hill and International IS manager Barry Aston review plans for REV*VIEW system.

tems group. "Our industry managers, product managers and Finance people are excited by the system's potential. For the first time, they'll be able to learn what our clients are doing all over the world.

"The system will bring together data now stored on a number of different systems, and in doing so, create a central point of access for important business information."

avoid redundancy."

The trans-continental team responsible for REV*VIEW's development includes three key players. Dave Westwood, REV*VIEW's project manager, is coordinating the U.S. and U.K. efforts and heading the core development work in London. Mark Gilgallon, also based in London, is driving the introduction of DB2 database skills into GEIS and liaising with the

GE's earnings per share up 12% in third quarter

GE's earnings per share for the third quarter of 1990 were \$1.16, up 12% from \$1.04 in the third quarter of 1989. Net earnings were \$1.026 billion, up \$81 million, or 9%, from \$945 million for the third quarter of 1989.

GE's good third quarter results were achieved despite the weakening U.S. economy and the current situation in the Middle East. Both had a dampening effect on GE's shorter cycle businesses such

as Lighting and Plastics. GE Major Appliance was able to overcome volume softness through strong productivity gains.

Slowness in the short-cycle businesses was more than offset by especially strong earnings in Aircraft Engines, Power Systems, and Medical Systems, reflecting higher revenues and continued productivity gains. Another excellent contribution to the higher earnings came from GE Financial

Services on continuing portfolio growth at GE Capital.


Growth in earnings per share outpaced growth in net earnings, reflecting the impact of GE's five-year, \$10 billion share repurchase program. The company reacquired 12 million shares during the third quarter, bringing the total shares reacquired to 35 million since inception of the program in November 1989.

GE financial results by industry segment for the third quarter

The comments that follow compare GE revenues and operating profit by industry segment for the third quarter of 1990 and 1989.

- Aircraft Engines' operating profit was up significantly from a year ago, principally on a continuation of much higher revenues.
- Power Systems' operating profit increased sharply reflecting much improved revenues.
- GE Financial Services' net earnings were 19% ahead of last year's quarter led by another very strong performance by GE Capital.
- Major Appliances has a much higher operating profit driven by strong pro-

ductivity gains. Revenues were about the same as last year.

- Aerospace operating profit was up in the third quarter on higher revenues, reflecting timing of deliveries.
- Technical Products and Services' (of which GEIS is a part) revenues and operating profit were about the same as last year.
- Industrial operating profit was about the same as 1989 on somewhat lower 1990 revenues.
- Materials operating profit was substantially lower despite increased revenues reflecting increasing material costs which have yet to be recovered through price increases.
- Broadcasting operating profit and revenues were modestly lower than a year ago primarily because of market softness.
- All other operating profit was about the same as last year on lower revenues. 

REV*VIEW

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time was spent conceptualizing what REV*VIEW would look like.

"Because of the uniqueness of this project, we're beginning to receive a good deal of visibility from the outside world," said Westwood. "Our use of Knowledgeware (software recommended by GE CIT) to develop REV*VIEW makes

us the first company to implement it in Europe. In fact, we're going to be featured in *Knowledgeware Magazine* very soon.

"The nice thing about the Knowledgeware product (Information Engineering Workbench) is that it is a state-of-the-art Computer Aided Software tool. In practical terms it generates

its own code, so the programs will be almost self-maintaining with an obvious pay-back on productivity.

"When Phase One is rolled out at the end of this year, we believe REV*VIEW will enhance GEIS' image as a global business on the leading edge of new technology utilization." 

A message from the boss...

We received a kind message from two of our most important bosses recently... No, not Hellene Runtagh and Gene Murphy. Not Larry Bossidy and Jack Welch, either.

The message came from two of our customers: Gillette and Norton Company. And make no mistake about it — they are our bosses! They're the people who ultimately pay our salaries. And, most importantly, they're the reason we exist.

Just in case you ever wondered if your extra effort was noticed or appreciated, consider the following letter sent to Mike Gwinn, manager of GEIS' Worldwide Client Services EDI support team:

Item forwarded by SIMM to RAS\$
 Item forwarded by MATT to SIMM
 Item forwarded by MATT to SQUA
 Item 8025218 ZOUK
 From: JOKEEFE 21-Oct-90 23:30
 To: MIKEGWINN
 cc: VANEK
 SEDG
 MATT
 Sub: New CS desk
 J O'Keefe, Sr Acct Mgr, New England
 M GWINN, Mgr WWCS EDI Support
 A Vanek, Mgr, New England Region
 R Sedgwick, Tech Manager, SDC Region
 M Mulligan, Mgr, Worldwide Client Svc

Published for the employees
 of GE Information Services
 by Employee Communication

Hi Mike:
 I wanted to let you know that I have spoken with Bob Mytkowicz at Gillette and Ralph Cuomo at Norton Company. Both have lodged complaints in the past about EDI client services support -- not about the technical knowledge and expertise of the folks there, which they have always found to be of a high caliber -- but about the difficulty of making contact with those persons. Callbacks, recordings, telephone tag, etc, led to lots of frustration. Both report that things have been markedly better since the new system went into effect in early September. They have been pleasantly surprised that they speak directly to technical support folks much more often, and that many questions are answered on the first call. While they are reserving final judgement until more time has passed, they give the last 6 weeks a definite "thumbs up".
 Let me add my thanks for your fine efforts. It's great to hear so many positive things about client services again. Keep it up!
 Best regards,
 John

This letter is a good example of what can be accomplished when a conscious effort is made to improve our service.

Everything we do as individuals — whether it be supporting a co-worker in need of help, or directly serving an external customer — influences the level of client satisfaction we're able to achieve as a business.

Congratulations to the EDI support team. Let's all follow their example and look for ways we can better satisfy The Boss.


 Joe Squarzini

