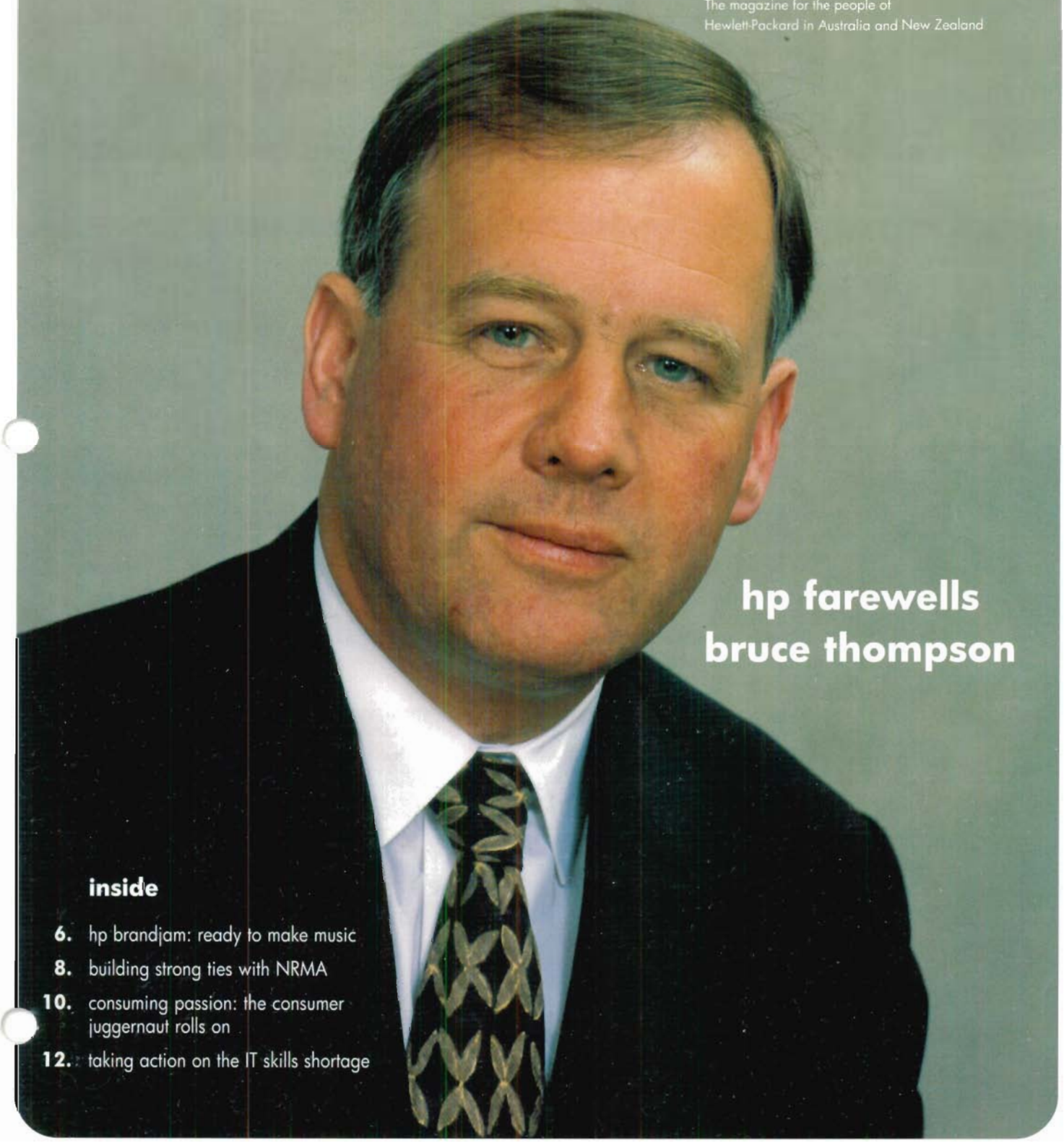
inform

Spring 2000

The magazine for the people of
Hewlett-Packard in Australia and New Zealand



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invent

message from the editor

welcome to the new look inform!

Hopefully by now you've noticed that inform has changed, consistent with HP's new branding guidelines. The design has changed to project a brighter, fresher look – all in line with the continued reinvention process.

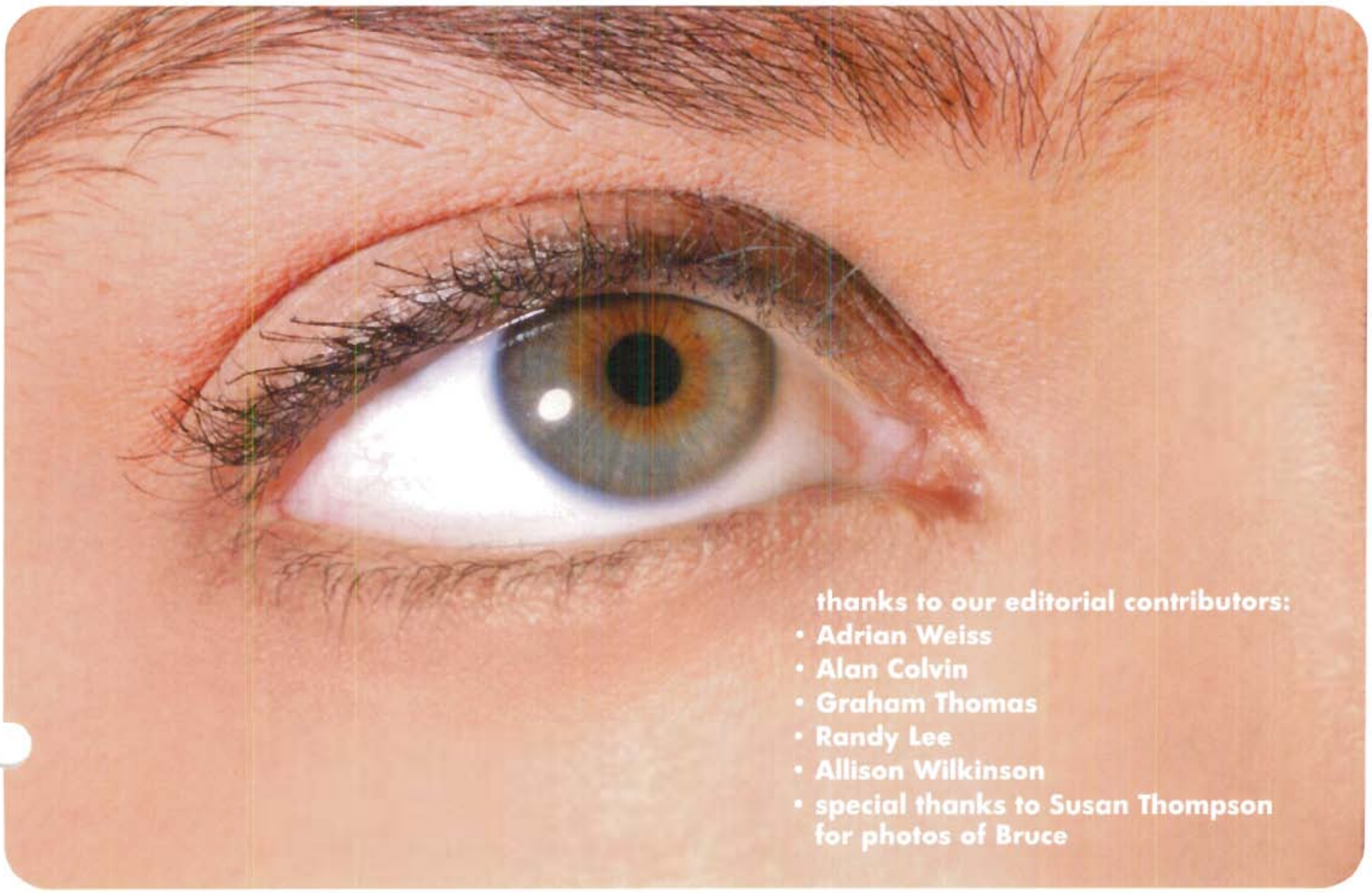
And that's not all that has changed. From an editorial perspective, inform is now aiming to provide even more information spanning all parts of HP, including latest news from each of the business units, and particularly success stories highlighting great customer results.

To make sure we provide an accurate snapshot of the whole company however, we need your help. Please contact Corporate Marketing to provide us with updates on any latest 'wins', stories on employees going 'above and beyond' the call of duty, or anything that you think may be of interest to our readers. Photos or funny stories are also welcome!

Over the past few months there has been huge activity around the offices in Australia and New Zealand. Barely a week has passed without news of a major 'win', merger, restructure or staff announcement. This edition of inform aims to give you an update on some of the activity that has been adding to the huge energy being generated around Australasia.

We hope you enjoy the new inform. Please feel free to pass on your feedback. Enjoy!

For inform contributions, please email the Corporate Marketing mailbox (marketing-aust_corporate@hp.com), or contact x2538.



HP Computer Museum
www.hpmuseum.net

For research and education purposes only.

bruce bids farewell to hp

and flies off to new adventures

After 32 years service to HP, Australasia's popular Chairman and Managing Director, Bruce Thompson, recently announced his decision to leave.

First plan is to take off in his new aeroplane and explore Australia, something he has been dreaming of for years.

"It will be great to just get away," said Bruce. "Flying is a real passion for me."

On his return, new challenges await. And while making no commitments, Bruce says he'll be looking at opportunities within the IT industry, maybe on two or three boards or perhaps through involvement with a smaller Australian company.

"I'm only 53," he said. "It's now time to take my skills and knowledge and put them to use someplace new."

And they're an impressive array of skills.

In five years as Managing Director, Bruce's career has been distinguished by highlights that others can only dream about.

Under Bruce's leadership, HP Australasia's bottom line has grown 24 per cent a year, with revenues more than doubling from $720M to $1620M. This has significantly lifted our competitive positioning in many product and services businesses. Significantly, it's expected that revenue will be even higher this year.

During his time as MD, Bruce also established the Business Venture Group to create export businesses for HP in Australia. This initiative saw the establishment of the worldwide headquarters for HP's Calculator business in Melbourne, as well as the Advanced Networks Division. As a result of these new businesses, HP exports have more than tripled under his leadership, from $100M to $320M in three years.

And then there's the fact that Bruce steered us into the prestigious position of winning the 'Fairfax Best Employer in Australia' award, for companies with more than 1000 employees. No mean feat considering over 100 companies throughout Australia threw their hats into the ring.

So how did this award come about? Well, about four years ago, Bruce and the HR team set an objective for HP to be regarded as the 'best place to work' in Australia – an objective which we've now definitively met and that's been recognised through this Award.

For Bruce, that's a great sense of achievement.

"Besides the consistent growth of the company, my biggest satisfaction has been from the continuing recognition of HP as a great place to work," he said.

'Bruce leaves in his wake a strong legacy for hp's future – a future where hp has achieved pre-eminent positioning in the industry, a best practice work culture and a reputation as a company where people want to work'.

"The public acknowledgement we've received by winning this award reinforces what HP employees have known for a long time – HP *is* a great place to work."

"I'm also proud to see that HP Australasia is now widely regarded as an industry leader in Diversity Leadership Management in the workplace."

Through his years at HP, Bruce has garnered widespread respect for his approachable leadership style and passion for the industry.

"Bruce has made a tremendous contribution to HP in Australia and New Zealand," said Alan Colvin, Director of HR.

"His integrity, business acumen, and genuine passion for HP will be greatly missed by staff and customers."

"In particular, his approachable style of management is unique in this industry and personifies the very attributes of the 'open door policy'. Bruce's personable approach has been a great asset to encouraging open communication throughout the company.

"I know that many new employees have been surprised when starting at HP, to not only meet the MD, but have access to be able to discuss any issues or ideas with Bruce on an ongoing basis – something which is quite rare in the industry".

So what's the 'Bruce Thompson story'?

He joined HP as an assistant accountant in 1968, before HP was even a computer company. Following this role, Bruce's career progressed through a range of finance and administration management positions, including three years in Taiwan as the Finance & Administration Manager.

Bruce has become an integral part of the company, providing tremendous leadership throughout the company's reinvention process and resulting in our current position as a dominating force in the Australasian IT market.

Then there's his standing in the business community where he's cemented strong ties with key Australian and New Zealand industry leaders.

Gerry Moriarty, Telstra's Group Managing Director, Infrastructure Services and Wholesale, congratulated Bruce for the extensive contribution he has made to the IT&T industry, and business in Australia, generally.

"Bruce has always been an energetic ambassador for the IT industry and the contribution that it makes to the overall economy," said Mr Moriarty.

"His vision and professionalism are without doubt an asset to our industry."

As part of Bruce's integral involvement in the business community, he became a member of the Business Council of Australia, board member of the Australian Information Industry Association, trustee of Committee for Economic Development of Australia (CEDA), member of the board for the Melbourne Cricket Ground Trust, member of the Victorian Premiers Multimedia Taskforce and a member of Senator Alston's Australian Information Economy Advisory Council.

And as many would know, he has always shown a particular interest in the educational side of the industry, and is a board member of the Victorian Education Trust and the Box Hill Institute of TAFE, as well as an advisory Board Member, Interactive Information Institute (RMIT).

Unfortunately, all good things must come to an end. As Bruce commented in The Age recently, "it's great to be able to quit while you're on top...while you still have the energy and the drive to go out and re-invent yourself".

His last day with HP was 31 August. But with his announcement, Bruce leaves in his wake a strong legacy for HP's future – a future where HP has achieved pre-eminent positioning in the industry, a best practice work culture and a reputation as a company where people *want* to work.

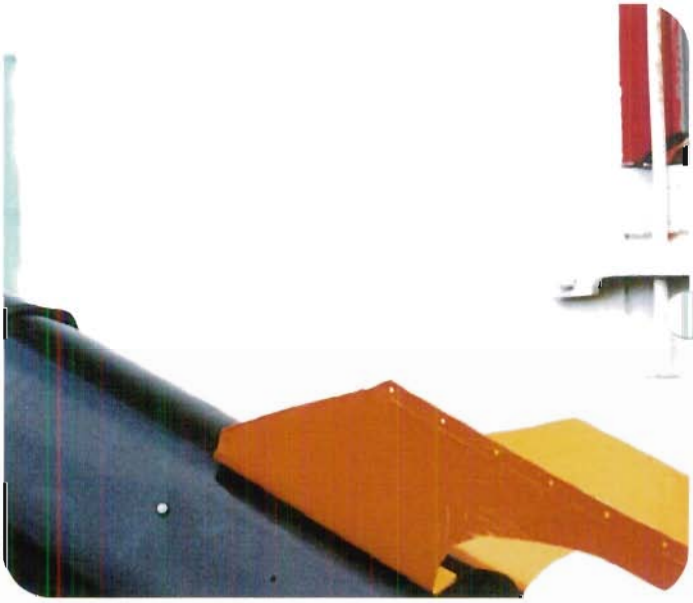
All thanks to the unique leadership style of Bruce Thompson.

far left: Bruce (centre) at hp in the early days (1970).
top: Bruce at the controls.

"We will work together and leverage the hp brand as a true company asset. HP's 100+ sub-brands will quietly diminish, and we will begin the task of blending 100 soloists into a well-tuned symphony."

– Carly Fiorina

hp brandjam



ready to make music

HP's new brand was officially brought to life recently when over 150 staff attended the Australia/New Zealand BrandJams, led by visiting members of the brand reinvention team.

The workshop included the rollout of the elements to support HP's image as a technology company that invents for the common good. The modular grid design system (which you will have seen in our recent internal and external communications – including inform) will focus customers on the fact that HP is inventive, optimistic, inclusive, human, trustworthy and quality-conscious.

Developed by Landor Associates, (the branding consultants and designers for companies such as Lucent, British Airways, Anderson Consulting and Levi Strauss), the new HP Invent system features lots of open space, is simple in its artistic treatment as well as choice of words and features a more flexible implementation. Using a palette of soft colours, it sends a strong message of 'Invent!'

The BrandJam was a key step in ensuring all HP communications are consistent in look and tone, building HP's brand positioning of our inventive spirit throughout the marketplace.

Participants were issued a brand 'toolkit' featuring cards which demonstrated a selection of the new images that can be used.

All HP communications must now comply with the new branding guidelines. If you are producing any communication, it is imperative to familiarise yourself with the new guidelines. Further details about the brand and corporate identity system (including the new logo) can be found at:
http://marketing.corp.hp.com/brand/ or contact Corporate Marketing in Australia via ext 2003 or email.

does our new brand compete?

Although Australian and New Zealand audiences have only recently started to see the new HP brand in marketing campaigns, the Invent campaign was first rolled out in the US in November 1999.

So is it working? A recent Interbrand survey of the world's most valuable 2000 Brands has shown that HP's brand has performed extraordinarily well since the roll-out. HP is now rated as the 13th most valued brand in the world, a 20% increase from the past year. The market capitalisation of our brand was valued at $US124.875M.

The most valued brand in the world was Coca-Cola, followed closely by Microsoft – Windows, and then IBM. HP beat other leading brands such as Cisco Systems, Gillette, Sony, Amex, Compaq, BMW, Xerox, Nike, Ericsson and Dell.

Our strong new brand has also captured the attention of our competitors. By now we all know that our reinvention journey can be summarised by the word – invent. We 'get it' and now the competition gets it too. And it seems to be getting under their skin. In Palo Alto, on Highway 101, a new billboard in a jagged all-caps scrawl screams, 'INVENT THIS, IBM S80 Unix Web Server, Faster Than Anything Out of HP's Garage.' The ad teasingly depicts the garage — yes, the HP garage — as an old, run-down, neglected shack, standing alone in a dry and lifeless field, far from civilization. Posters featuring the same message are also being plastered all over construction zones in San Francisco's South of Market district. In short, the billboard is proof that we are doing something right.

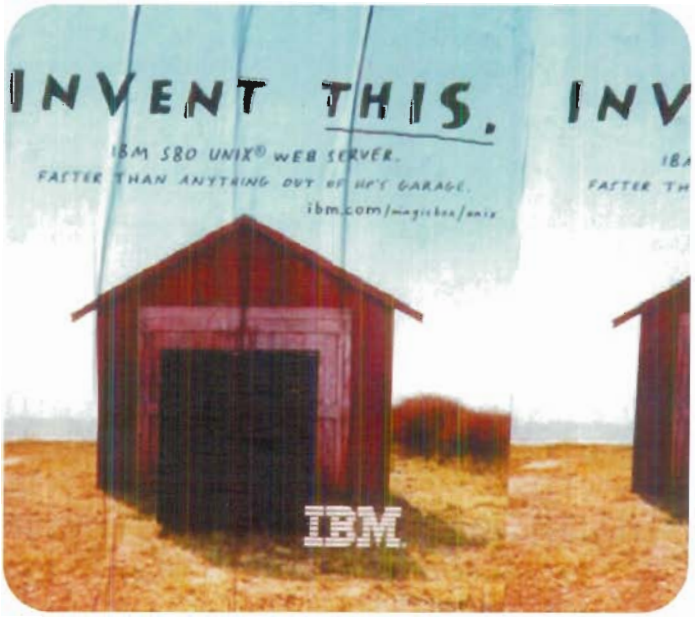
Features of the new hp identity system:

- **photographic images must be real, recognisable and create an emotional, familiar connection.**
- **use simple words and pictures to let spirit of invention come through.**
- **the grid forms a storyboard for images, photography and words.**
- **a palette of colours convey our colourful stories.**
- **hp Futura Font is simple clear and conveys a warm simplicity.**
- **the voice is simple, honest and optimistic. Avoid jargon and technospeak.**

"This is the first time that IBM has ever acknowledged a competitor in their ads," Carly Fiorina told HP's top 200 leaders during the opening of the June 29 Senior Leadership Meeting.

"It means we're in the bull's-eye now. This is good news — this is really good news."

Goodby, Silverstein & Partners, HP's global advertising and PR agency agree. "One year ago, IBM or any other company wouldn't have taken notice of what HP was doing," said John Coyne, GSP account director. "It's really quite flattering."



NRMA was previously one group made up of two mutuals – NRMA Limited which undertook all the motoring activities including roadside service, and NRMA Insurance Limited which undertook most of the insurance, financial services and distribution activities.

The two companies are now separate with NRMA Insurance listing on the Australian Stock Exchange. HP's customer, NRMA Information Services, is wholly owned by the NRMA Insurance Group. Like a number of the insurance group business units, Information Services is providing services to NRMA Limited, the member services group, on a commercial contract.

building strong ties with NRMA

A thorough understanding of a client company and its needs is the cornerstone of the growing relationship between HP and NRMA Information Services.

Mark Hope, Principal Consultant, HP Consulting, says HP's goal has been to get to know NRMA extremely well in order to be absolutely relevant to their business.

This successful client relationship has grown out of a winning bid three years ago by HP to provide project management services and hardware for desktop PCs, servers and UNIX boxes for NRMA's new corporate office in the centre of Sydney.

HP project managed and handled the integration of services for the relocation from a number of head office premises to one large building in George Street.

"It was a successful move and a successful technology change exercise," said Gary Dransfield, General Manger, NRMA Information Services. "HP did a very, very good job of it."

HP's contribution comes at a time of critical change for NRMA, not only as a result of the demutualisation and the float of its insurance business, but also due to a new corporate strategy adopted about a year ago.

"We're rolling out new products, new geographies and new distribution channels, all with significant technology implications," said Gary.

"HP has already done project-based work for NRMA, particularly in desktop rollout and project management, and specifically as a subcontractor to IBM GSA on a Y2K rollout of the new standard operating environment."

"Since then it has taken a leading role directly for NRMA for the rollout of our infrastructure into the RACV branch and call centre environment."

HP is currently conducting a critical review of NRMA's business testing environment, a project review of its enterprise data warehouse project and developing a rapid distributor introduction model for its insurance manufacturing business.

But for NRMA Information Services, there are bigger issues: merger integration and the finalisation of arrangements for the RACV and SGIO. Then, they'll need to modify their architecture to ensure they can add and integrate future mergers and acquisitions into the existing structure.

NRMA also faces significant challenges in integrating customer facing systems across all channels for the range of products being manufactured within and from outside the group.

"We've had to become a pseudo commercial IT provider," said Gary.

"We provide IT services to RACV to meet their needs, not just those that are subject to the alliance."

"Now, we also provide 'arm's length' IT services on a commercial basis to the motoring association as a company separate from the insurance group."

Mark Hope believes that on the back of all the work done for development of NRMA's infrastructure, HP built a very strong relationship with NRMA.

"Our aim has been to know NRMA well and to be aware of the major problems facing them. Only then can we initiate mutually beneficial pieces of work."

"It's a matter of making sure we are properly engaged with the client so they are aware of what we can do," he said.

"At the same time, we can actively assist them rather than passively waiting to be given work."

It's an approach that's been welcomed by the client.

"HP has done extremely good work," said Gary.

"We certainly intend to continue to leverage HP's strengths in both consulting, project management and project delivery."

"It's been apparent that there's a very strong delivery culture. We're able to approach HP with great confidence that the end result will be delivered," Gary concluded.

key to success

consuming passion: the consumer juggernaut rolls on

Continuing the trend set in recent years, FY2000 is shaping up to be a bumper year for HP's Consumer Business Organisation (CBO), both locally and internationally.

Despite the fact that HP has been consistently and considerably outspent by competitors such as Epson, Canon and Compaq in brand-advertising dollars, many would be surprised to know that HP is now indisputably the largest supplier of IT products to the home. No other company in the world supplies more computer-related hardware to the home market. HP's success in the home market is all the more remarkable when you take into account HP's heritage.

Traditionally known as a 'business-to-business' vendor, HP entered the consumer market in 1996, spearheaded by the launch of the HP Pavilion home PC. Since then, with the release of a stream of new and innovative home and home-office products, HP has surged to the forefront of the consumer market.

"Our ongoing success in the consumer space has been due to a number of factors," said Andrew Cooper, General Manager for the CBO in Australia.

"We recognised the need to reinvent ourselves to become a sleek, consumer-aware organisation. This meant a total re-think about who our customers are, what products they want and the distribution channels required to bring those products to them efficiently."

Another critical factor was the adoption of an integrated approach to the CBO reinvention.

"It was clear that, in order to make this work, we needed the enthusiasm and commitment of the entire business, from sales and marketing, to order administration, distribution and logistics," said Andrew.

"Our results now show that the consumer team not only accepted the challenge, but surpassed all expectations. In Australia this fiscal year, for example, the CBO expects to achieve over $500 million in sales (over USD$300 million). This is around 50% growth over 1999. It's immensely gratifying to see our strategies are now paying off."

In the last 12 months, HP Australia has achieved a number of significant milestones:

- number one market share in the home PC market with the **hp** pavilion brand
- **hp** deskjet printers are still the number one selling brand of inkjet printer, against increasingly aggressive competition
- HP Australia is now recognised as the number one supplier of home IT products
- HP Australia is the single largest supplier of products to Harvey Norman (surpassing all consumer vendors, not just IT vendors)
- despite dramatically increased competition, HP has retained number one market share in printer supplies and consumables

The HP Consumer story is equally impressive on a global scale. For those who didn't already know, HP is:

- the fastest growing major retail PC brand in the world among major vendors (ZD Market Intelligence)
- the number one retail PC brand in the US, North America and Singapore (ZD Market Intelligence)
- the number one consumer IT supplier worldwide (HP and industry research)
- number one worldwide in inkjet printers (HP and industry research)
- number one worldwide in all-in-one products and home scanners (HP and industry research)

These are just a few of the accolades for the CBO. But they're not resting on their laurels... far from it, according to Andrew.

"We're just getting warmed up," he quips.

"In this brave new world where we're competing with the likes of Sony, Philips and Kodak for the consumer dollar, our aim is to be the number one consumer brand in the world – not just the leading IT supplier to consumers."

Andrew Cooper

Chris Greig

of Arts (Honours) degree in Management Sciences and French with a special option in marketing and international business.

Barry has been with HP for 8 years joining HPNZ in 1992 as the NZ Corporate Account Manager based in Auckland. After a 7-month stint as the NZ manager for Toshiba in 1996 Barry returned to HP as CCO country manager.

"This is an exciting change for HP's business in NZ as we adopt a customer-focused approach to our business model and incorporate Infrastructure, Appliances and E-services into an already strong brand in the NZ marketplace," said Barry.

Other senior members of the new team announced recently are:

Tony Norman – Technical Consulting Organisation, **Colin Boyle** – Telesales District, **Greg Trigger** – National Sales Manager, Channels and Alliances, **David Denham** – National Sales Manager, Large Corporate and Government Accounts, **Lindsay Lyon** – National Sales Manager, Commercial, **Geoff Crozier** – Speciality Sales Manager, Hardcopy, **David Lenz** – Marketing Manager, **Bernie Tallis** – Business Operations Manager, **Paul Langdon** – Sales Controller Manager, **Rod Taylor** – Outsourcing Sales Manager, **Les Lawrence** – HP Services Sales Manager, **Ali Al-Tarafi** – HP Software Sales Manager, **Stephen Finch** – HP Finance Manager, **Jenny Dixon** – Complementary Products Manager.

introducing the BCSO

HP recently announced the formation of a new organisation, the Business Customer Sales Organisation (BCSO). The BCSO has been created by the merger of two organisations – the Commercial Customer Organisation (CCO) and Enterprise Computing Services Organisation (ECSO) and has the formidable charter of leading HP sales and marketing for business customers.

Leading the new team in Australia is former CCO General Manager Chris Greig. In New Zealand the new head of the team is Barry Hastings. Chris said the BCSO would meet the growing needs of customers wanting to combine traditional business with e-commerce.

"We've taken the best aspects of our current sales organisations to create a multi-faceted, dynamic team focused on delivering a complete business solution to our customers.

"BSCO will move HP Australia forward in the Internet space, setting new standards and providing our customers with new solutions."

Prior to joining HP Australia, Chris worked with HP in Switzerland and France as HP's European Corporate Sales Manager for PC and printer products. Chris has a Bachelor

Barry Hastings

Andrew Broussard, from the Customer Care Centre, shows Structured Workplace Learning Program student, Danielle Moroney the ropes.

taking action on the IT skills shortage

While members of the IT industry around the world bemoan the shortage of skills in the industry, HP Australia is actively working with industry and government to find solutions to the problem.

"Primarily the skills shortage can be attributed to the major influencers on a child's decision – teachers, peers, course advisers and parents – not encouraging their kids to consider IT as an option," said Alan Colvin.

"This is in large part due to these groups not having grown up with the industry, and consequently having very little understanding of it.

"It's therefore critical to profile the benefits of the industry to those who help influence school children's decisions on their future career if we are to attract this generation into the industry."

HP has become active in the IT&T skills exchange, set up between the Federal Government, the IT industry and the education sector to develop strategies to increase participation and skills in the industry, particularly from young people and women. A recent grant of $100,000 will also help the exchange develop a new portal aimed at bringing students, education providers and the IT industry together.

"We are also working on other initiatives to forge closer relationships with the education sector," said Alan.

"This will assist students to decide that IT can be a buoyant future career for them."

HP recently hosted seven Year 11 and 12 students as part of a Structured Workplace Learning program. Students spent one day a week, over five weeks, working with HP staff, being introduced to various technologies and potential careers in the industry. At the end of the program students were required to present their learnings from their time with HP, which formed part of their VET assessment.

"We received very positive feedback from the students, who expressed a strong interest in pursuing IT industry opportunities for their future careers as a result of their time at HP," Alan said.

Alan also recently presented to a local network of secondary school careers advisors to provide information and change existing perceptions on the range of careers and opportunities in our industry.

This initial forum was an excellent opportunity to discuss the value of a career in IT, a virtual unknown to many in the group. The presentation was enthusiastically received and participants have requested this initial forum be rolled out to reach a broad range of career advisers.

"We are looking to change the image of the IT industry from 'geeks and people who sit in front of screens all day'," said Alan.

"In reality, it's an industry with competitive wages, zero unemployment, global opportunities, a variety of roles available and most of all, a guaranteed future."

IT infrastructure reinvention

a win for everybody

HP's IT core infrastructure organisation has merged with CSSG to create HP services an 'internal outsourcing' opportunity with the objective of dramatically increasing HP's size and penetration into the outsourcing market.

The infusion of approximately 3,000 IT employees from HP's Americas IT, IT Europe and Asia Pacific IT organisations - along with selected employees from Infrastructure Strategic Engineering - roughly doubles the size and capacity of HP Services' IT infrastructure operations.

"HP's services business has been identified as an area for high growth and focus. The merger with HP IT is a key component of the overall growth plan for HP Services and is an important step in HP's strategy to be a leading IT service provider. The merger clearly signals to the market that we are committed to winning big business," General Manager of HP Services, Christine Scammell said.

As part of the merger, HP Services will manage and deliver HP's IT core infrastructure to HP's businesses, making Hewlett-Packard, HP Services' largest customer.

The merger will allow HP IT to meet its reinvention goals and to bring IT cost structures in line with industry norms. HP IT will project the IT requirements of HP, and contract with HP Services, mostly through Operations Delivery, to meet the specified IT requirements of HP's businesses.

"By taking on HP as a Tier 1 customer, HP Operations can learn from the experience of integration of a large, complex and technologically sophisticated customer - hopefully also somewhat forgiving!" said Jo Shanks, Region IT Manager.

"Merging Infrastructure IT with CSSG to form HP Services provides the group with access to 3,000 talented IT personnel, and exposes these people to the 'line of business' drivers. The IT services which will be provided to HP's businesses will be defined at the CIO Council whose members are Mike Rose, HP IT CIO, and the CIOs of each of the businesses. This model will ensure that HP's businesses will be provided with the IT infrastructure services which are necessary, and sufficient, for cost-effective operations," Jo said.

HP Services provides a full range of IT infrastructure consulting, education, outsourcing, support and financing services. The group works with customers to design, build, deploy, manage and maintain mission-critical IT infrastructure and e-services solutions that enable them to gain a competitive advantage.

HP's breadth of services spans the entire IT environment including servers, clients, workstations, software, networks and network devices across multiple platforms including UNIX, Windows NT, and Linux. HP services now defines enterprise strategies and design IT infrastructures for profitable e-commerce in key areas such as supply chain management, enterprise resource planning, data warehousing, security, messaging and network/system management.

HP Services works to identify new business and IT opportunities that will quickly generate revenue and lower operating costs for customers, and our mission-critical support services ensure that customers have the extremely high levels of availability that are vital in the e-services world. HP has the e-service vision, the communications industry expertise, and the mission-critical leadership to take customers into the next chapter of the Internet with speed, power and passion.

The merger represents a 'win' for HP Services, HP IT and for HP as a whole.

l-r Marcus Hunter, Christine Scammell and Jo Shanks

benefits to hp

- drives standardisation of IT across the company
- enables IT to be more nimble and responsive to HP business needs
- increases the cost-effectiveness of IT

benefits to hp Services

- represents a strong senior management commitment to services
- brings a huge infusion of talent and resources to HP Outsourcing, and a big customer: HP
- provides additional capabilities and credibility for pursuing larger deals

benefits to hp IT

- aligns HP's IT core infrastructure with industry best practices
- helps HP IT meet reinvention goals and cost targets
- allows HP IT employees joining with HP Services to contribute directly to the growth and success of a HP business

diversity: not just another word

by Alan Colvin

"Be careful about saying that...that's not very diverse."

I've heard that a few times around the HP offices. Diversity has become a part of the HP language. Mind you, it is not used as often as 'touch base', 'heads up', 'no-brainer' and especially not as often as 'Carly', but nevertheless it is an established part of the HP lexicon.

So does that mean diversity is another term for political correctness? Diversity supports all our key strategies. It is an important building block for our company. It means so much more than political correctness. Diversity links very deep into our culture and building a diverse workforce is a primary objective for HP that is being driven down from the top levels of the company.

The challenge for any company is to harness the power of its workforce. First you need to build a workforce that transcends race, age, gender, culture and physical ability. Then, diversity principles can be used to value and respect individual difference. Every employee has different opinions, different ideas, and different values.

At HP we can grab the best of all of these areas to focus on our customers. In the process we can gain a huge advantage over all our competitors. We can achieve this by working together, using good judgement and focusing on our common objective – making our customers more competitive. Only then can we utilise the power of our workforce: our ideas, our inventiveness, and our energy.

Using this approach we will attract the best people in the industry...and retain them. People like to be respected, people like to make a contribution, and people like a company with solid values with a safe working environment. A company like HP. A company with a focus on diversity.

Our Work/Life Balance and Diversity program is a leader among all Australian companies. To maintain that competitive edge, the SMT has chosen a Work/Life & Diversity Action Committee. Members include Adrian Weiss, Joy Randall, Carol Hogan, Andrew Cooper, Aggie Mavridis and myself. We will continue the current program and drive it forward to meet our new business challenges.

Inform from now on will profile employees who have found the right balance to lead a rewarding life while building a career within HP – employees who understand and live diversity.

understanding the value of work/life balance & diversity

HP Web Developer Jamie Howells (right) understands the value of diversity.

As Private Howells in the Army Reserves, Jamie has developed a unique balance between his work as a web developer for the Intranet at HP, to his 'out of office' life in the Defence Force.

Jamie joined the Army Reserve 22 months ago.

After an initial 45 days grueling training at Kapooka and 3 weeks at Singleton, Jamie is now well entrenched as a member of the Army Reserve, spending one night a week, 1 weekend a month and 2 weeks a year, training.

According to Jamie, HP's policy of encouraging diversity in the workplace has been fantastic in allowing him to pursue his Army Reserve ambitions.

"When I initially started in the Army Reserve, I was required to spend 45 Days in Recruit Training in Wagga Wagga, NSW. For the 45 days we had 2 days off, compulsory styled haircuts, long pack marches, lots of discipline, lots of motivational words from course instructors and trained from 6am until 10pm each day.

"HP was great in allowing me to take time off to complete this training. Even now with this intensive training behind me, HP still is fantastic in allowing me flexibility in working hours, particularly when I need to fulfil other Army Reserve commitments," said Jamie.

'Other commitments' include duties such as security work for the Olympic Soccer event at the MCG in September this year where Jamie will be on the Army Reserve 'Operation Go for GOLD'. In the recent East Timor conflict, Jamie and his team were ready to be called up for one-year service, should the situation have been escalated.

As a member of the Army Reserve, Jamie is prepared for duty should the situation arise. Jamie's involvement in the Army Reserve has ensured strong levels of commitment and tenacity that apply not only to his defence force life, but to his work life as well.

"After having trained in gruelling conditions for extended periods of time, regardless of weather, season or terrain, you realise the importance of just getting on and doing your job, regardless of any seeming obstacles. This level of focus is now something that I apply not only to my life in the Army Reserve, but to my career at HP," said Jamie.

Qualities such as these are proof of the value of obtaining the right balance between building a career within HP and leading a rewarding life outside of the company.

Jamie Howells

teaching tax and technology

Is it possible to teach over 3,500 tax professionals around the country a thing or two about tax? Well, that's what HP and the Australian Taxation Office (ATO) set out to prove.

With the Australian introduction of the GST on July 1, the ATO were faced with the enormous challenge of implementing a program designed to educate tax professionals on the wide ranging ramifications of the new tax structure. Traditionally, attendees would have attended a 'question and answer' seminar and viewed information at static information booths. But with the assistance of HP and Praxa Techonolgies, the ATO developed a Tax Reform and Technology roadshow designed to stimulate and educate tax agents, accountants, and financial consultants with an interactive and educational environment.

For HP and Praxa Technologies, the unique challenge lay in designing a network infrastructure that could be replicated in a wide variety of venues around the country.

Using **hp** netservers lh3 and 100 **hp** omnibook notebooks, Praxa developed a flexible infrastructure which would address the widely differing environments and needs of attendees.

The **hp** omnibook notebooks acted as mobile education units, allowing the ATO officers to educate tax professionals about GST compliance issues.

Then through an Internet Café, the ATO profiled the latest in taxation related software applications. These included E-record, a baseline software product designed specifically to allow small businesses (using paper-based record systems) to migrate to an electronic system; GST Forecaster, a cashflow management tool; and Quicken Software's accounting and financial management packages, Quickbooks and QuickPayroll.

The reliability and flexibility of **hp** omnibook notebook PCs and **hp** netservers, and Praxa Technology's expertise in systems integration, configuration and setup formed the backbone of this interactive environment.

"HP's involvement in the roadshow provided tax professionals and small business groups with the hardware platform and Internet infrastructure necessary to see the real advantages in migrating from a paper-based accounting system to an electronic one," said Graham Thomas, HP's Small Medium Business Marketing Manager.

l-r Andrew Munro (General Manager, Praxa) and Chris Greig

business units bind together

HP staff from various Business Units recently implemented one of the largest, 2 step SAP upgrades in the world proving that teamwork across business units can achieve anything.

BOC is one of the biggest SAP sites in the Southern Hemisphere. With one of the largest databases in country (of approximately 750GB) and a user base of around 900, the system provides critical financial and operational information to the day to day running of BOC's business and bottom line. For example BOC relies on its SAP R/3 system for such things as: order processing, production planning, delivery schedules, maintenance and account invoicing.

Until very recently BOC had one of the oldest SAP environments in Australia (SAP 2.2.) and the supportability and increasing expense of an outdated system was becoming a concern. Being an existing OSD site, HP were engaged to bring BOC's systems in line with current thinking by upgrading to SAP 4.5, a sophisticated system that would greatly increase efficiency.

Due to the size of the existing database and the version of SAP that required upgrading, HPC and BOC determined that the upgrade would take in excess of 4 days - a long time for BOC to be without their critical systems, and a very short time for the HP team to implement such a massive upgrade.

Given BOC's dependence on these systems for the day to day running of their business, it was decided that there was only 1 possible time to do the upgrade, the ANZAC Day/ Easter 2000 weekend.

From August 99, the HP team built a new parallel infrastructure, worked through 4 trial upgrades refining the upgrade process and assisted in the development of the new application code.

On the Thursday before Easter the old production system was shutdown and copied to the new infrastructure and the technical upgrade started. Working 24 hours a day the HP team stepped though what they had refined over the past 8 months. Ninety two hours later OSD began their work re configuring DNS, Omniback and a myriad of interfaces connected to NT and external 3rd party subsystems, in parallel with the BOC applications team adding their transports they had developed over the 9 months.

By the Wednesday -1 week after HP had commenced work – the system was handed back to users on time and working perfectly.

The upgrade was a massive success, demonstrating the importance and benefits of harnessing talent from all business units, to see a project through to completion. In particular, some of the high points included:

- close integration of BOC, EMC, HPC, ECS, WCSO and OSD
- $AUS1.3Million generated in HPC services
- $US4Million generated in hardware
- on budget on time, causing no interference or delays to BOC's business
- no impact to month end from upgrade
- batch performance increase of 8 to 10 times
- indications of significant decrease in online transaction response times

Congratulations to the many HP team members who worked tirelessly to ensure the success of this massive implementation. Team members were:

HPC

Randy Lee, *Project Manager.* Matthew Toy. Neil Crosby, *Infrastructure Lead.* Rachel Hancock. Paul Stokes, *SAP Basis Lead.* Henning Verbeek. Scott Marchant, *Test Lead.* Huma Khan. Jeff Ng. Steve Antoniou. Chris Yeow.

OSD

Dominic Mackenzie, *OSD Lead.* David Keysers. Louis Zisiadis. Frank Magliozzi. Thomas Dierkes. Dean Bennett. Penny Khaw.

BOC/OSD Helpdesk

WCSO

Graham Wood. Rick Fisher. Peter Wilkin.

ECS

Suzy Linfoot. Lucy Chu. Peter Martin.

BOC gases SAP upgrade 2.2 to 4.5

GST ready? you bet!

dedicated employees ensure hpa is ready for the new tax system.

After thousands of hours of work, members of HP's internal GST Steering Committee are looking forward to seeing the reward for their efforts following the introduction of the GST in Australia, in July.

Since the committee was formed in March last year, more than twenty people have participated in regular meetings and worked hard to ensure their business group is compliant with the new tax system legislation.

An equally important factor is compliance with the Australian Competition and Consumer Commission (ACCC) guidelines, which states that cost savings must flow through to customers.

The GST Steering Committee identified potential high-level issues for HP, some of which included how to handle:

- contracts made in FY1999/2000 that spanned July 2000 that could attract GST
- stock on hand
- pricing
- contractors
- customers
- suppliers
- financial services and supplies
- capital acquisitions
- cash flow impact

GST Project Leader, Allison Wilkinson, said there was only one more stage to go in the six-phase project.

"It is a relief that much of the ground work has been completed and it's a credit to everyone on the Steering Committee who already had heavy workloads that we are on schedule," Allison said.

"We have just finished the implementation and testing of all the projects and as inform goes to print, we are waiting for feedback on how successful this was."

"However, the important task of evaluating the outcome of the tax reform program and dealing with outstanding issues are still ahead of us all."

pricing the biggest issue

The biggest issue that faced most of the seven HP business groups was pricing.

To ensure HP didn't breach the ACCC guidelines and to ensure customers got the best price, every component that makes up a price had to be checked to make sure all the indirect taxes were taken out and cost savings passed on.

"It was a question of going right back to the beginning of the price structure and then working out how we could pass on cost savings," said Allison.

While most of the price is driven by the import price, which in turn is affected by the fluctuating Australian dollar, many other things had to be considered including freight and system services. These items had to be investigated as to whether they would increase or decrease in price because of the new tax system.

"Getting our suppliers to confirm their pricing information was difficult," said Allison.

"In most instances they were waiting for their suppliers to respond before they could reply to us."

"At the other end, we had thousands of letters from customers asking what was happening with pricing so they could do their pricing analysis. It was a vicious circle," she said.

Members of the GST Steering Committee comprised:

Tax: **Allison Wilkinson, Jacqui Voller** and **Jacqui Cicero** Region Finance: **Alex Kulincevic** CSSG: **Volker Heinze** and **Michael Petrie** ECS: **Lachlan Lean, Joe Reilly** and **Paul Langdon** CCO: **Tony Clarke, Bernie Tallis** and **Hillary Noye** HPC: **Saras Ganasalingham** Tech Finance: **Lois McLachlan** and **Stephen Finch** ERD: **Monika Burnside** and **Chris Pendray** ACO: **Adam Simon** Operations Procurement: **John Winzer** IT: **Alka Khare** HR: **Peter Sale** Contracts: **Evelyn David** Legal: **Vikki Grimley** External Consultants: **Ernst & Young** and **Dunhill Madden Butler**

While some temporary staff were employed to work on the GST implementation, virtually everyone on the Steering Committee had their roles realigned. People who were familiar with their own businesses and HP's corporate structure were always going to be a more valuable resource to facilitate HPA's implementation of the GST by the due dates.

"Navigating the corridors of regional headquarters in Singapore to find appropriate contacts for each of the business units and product lines was the biggest problem," said Tony Clarke from CCO.

"The next challenge was to coordinate one type of communication and response with all the different people responsible for the twenty-five product lines."

Tony established that there are various pricing processes used across the business units, which meant every product line had to be investigated individually.

"I am pleased to say that the marketing centres in Singapore took ownership of the issue and ensured the appropriate documentation was made available to us," he added.

Bruce Thompson, said he was extremely proud of everyone on the committee for showing such a high level of commitment.

"They all worked very hard to meet their deadlines each month and were dedicated to the task at hand, while still doing their own job. It was a great effort," Bruce said.

More than one thousand changes to the legislation in the past six months meant everyone had to be flexible to come up with alternatives, aware that it could change again at any time. System updates were particularly difficult. For example, contracts written for service agreements that spanned 1 July 2000 that attracted a GST, had to be

vigilantly monitored.

Because of this, some groups opted to operate manually until July 2000, which was time consuming and expensive, but saved having to constantly change systems. According to Volker Heinze from CSSG, adapting systems and processes was the most complex issue that had to be handled.

"From a systems point of view, our one goal was to produce a valid invoice. In addition to the monthly Steering Committee meetings, most of the members also attended systems meetings, where we could share ideas," said Volker.

"We learnt many common lessons from each other and benefited from an occasional visit by a systems specialist."

"Because of the level of risk, failure points and severe consequences of doing something wrong, much of my normal job was put on hold in favour of the GST in the latter months. It has definitely been a major priority," Volker said.

Helping the Steering Committee in its task was a modelling system called Econtech, which identified the expected price impact for particular industries. Upon completion of the analysis, HPA was unable to confirm any estimated savings.

After three months of GST, this exercise will be carried out again to discover any actual cost savings.

HPA Tax Manager, Jacqui Voller, said, "I am very proud of the way HPA's tax team has worked with the Steering Committee and the HP businesses to implement the GST in such a short period".

"Compared with GST introductions in other countries, Australia's has been one of the most complex and the team worked hard to ensure it was carried out as smoothly as possible," Jacqui added.

For more information on this issue, please visit the Region Finance and Accounting web site at: www.aus.hp.com/finance/ and click on Taxes, then GST.

Some of the GST team. l-r top row: Joe Reilly, Evelyn David, Tony Clarke, Rebecca Russell (Ernst & Young), Allison Wilkinson, Volker Heinze, Lois McLachlan. Seated: Jacqui Cicero, Jacqui Voller and Lachlan Lean.

what to say to customers

HP's legal consultants have prepared the following notice, which should be used when addressing any external queries:

"In conjunction with our external tax advisers, we have been analysing the impact of the New Tax System on HP's goods and services, in particular to ascertain whether there will be net cost savings that we can pass on to customers through reduced pricing. From the preliminary results of that analysis, together with the communications we have had with our major suppliers, we are unable to confirm that we will have any such immediate net cost savings. Nevertheless, we will monitor our actual costs and pass on any net cost savings that are achieved from the introduction of the New Tax System."

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