

CONVERSATIONS ABOUT THE FUTURE
MEETING AGENDA

Welcome by Group Manager	3 min.
Film - "Conversations: The People of Our Company"	15 min.
Introduction by Host [Michael Krasny]	3 min.
Intro CEO, Vice President	
- on-stage discussion of Corporate issues	30 min.
Question & Answer - audience participation	15 min.
Exit CEO & Vice President	
Intro Divisional Manager	
- on-stage discussion of divisional issues	10-15 min.
Question & Answer - audience participation	15 min.
Close by Host	2 min.

1. INTRODUCTION

Vice President

- Welcome to "Conversations About The Future"
- Session targeted specifically for the Electronics Group
- Purpose of the event
 - Originally made as Orientation Film
 - *wanted to show all employees to share Our Company's philosophy/values
 - discussion of company's original purpose
 - This Conversation is a chance to ask every question you've had about Our Company
 - "'been rough times, do we still believe this discussion of the future we want to see at Our Company -- what that means for each of us at Our Company
 - What will happen in the next hour and a half:
 - *Talk with me and our Chief Operating Officer
 - *Michael Krasny is our host. He is a Ph.D. in English, lifelong interest in journalism and news. Many years as a professional interviewer. Some may recognize his voice from his KGO interview and news show.
 - *Questions directed at us from Michael Krasny -- and from you the audience
 - *Questions about Our Company and our groups and divisions
 - To set the stage, we'll see a brief film - including interviews with many of us -- that gives us a view of our unique corporate culture and philosophy.
 - Now we'll start the film -- "Conversations: The People of Our Company"

KRASNY INTRODUCTION

- Film represents Our Company -- or does it?
- Raises interesting questions about:
 - *the culture at Our Company -- including issues like freedom, risk-taking, creativity
 - *the lack of apparent structure here and what that means - some think it's chaos
 - *the larger context of what's happening at Our Company and why
 - *some specific concerns about the past
 - *and what's the future look like for Our Company
- So let's ask some of the people involved in creating this vision of Our Company.

KRASNY INTRODUCES Chief Operating Officer and Vice President

- Two people who need no intro
- Our Chief Operating Officer
- Our Vice President

QUESTIONS FROM KRASNY TO CHIEF OPERATING OFFICER

- Where is our CEO today?
- Is he going to retire?

QUESTIONS FROM MICHAEL KRASNY/AUDIENCE

TO CHIEF OPERATING OFFICER & VICE PRESIDENT _____

A. ISSUES RAISED BY THE FILM

What does freedom mean at Our Company -- seems confusing. The tension between freedom and control.

Some people think that Our Company today is moving away from the freedom seen in the film. Seem to be increased controls. Are there increased controls? What do you think?

What does risk-taking mean? What are we risking here?

Do people still take risks here, today? Why is it so important to be able to take them?

B. OUR COMPANY STRUCTURE

Some people think Our Company has a complicated structure. What is bureaucracy? Do we really dislike bureaucracy here? How does Our Company's actual structure, balance the needs for freedom versus control?

What happens if I join a new business unit and it doesn't make it? What happens to me and my job?

What does flexibility mean to me?

C. THE PAST

For some people, it's not current events, but events of the recent past that seem to conflict with the Our Company philosophy. Perhaps we can discuss a few of things, now.

Layoffs, job security, controls on salaries and benefits are on alot of peoples/ minds today. They want to know why they happened, and what they can expect in years to come.

For some people, the difficulty with layoffs is that money seems to be available for what some consider "luxuries", like the new lunch-room. And a library.

D. OUR COMPANY TODAY

But what about the company today? How are things going? Is everyone meeting growth and profitability targets? Why? Why not?

What about cost reduction? How important is it now and why?

E. THE FUTURE

How do you see Our Company growing and developing in the future?

What's the difference between our CEO's job and our Chief Operating Officer's job? Are those likely to change? What about retirement?

We've discussed some of the keys to Our Company growth and success In the future, say 3 to 5 years from now....How do you think Our Company and the Our Company philosophy will be working?

POINTS THAT COULD BE MADE ON FREEDOM

- o balance between individual creativity and group harmony
- o freedom to figure out a better way to do something - or a way to do something new
- o ability to speak out and tell your manager what's good and what's

- o everyone is here to improve the business
- o freedom to be creative, take risks
- o freedom to speak out and if we don't like your idea, we have to tell you why it doesn't fit the larger picture

- o not "everyone on their own"
- o freedom to determine how we, as a group can make things work in a better way
- o like America is a free society but it's still regulated in many ways

POINTS THAT COULD BE MADE ON CONTROL

- o we need to be more predictable to run a business of 10,000 than we needed at 500. We need an audit trail.
- o important to be able to tell, at a glance, what people are doing in groups and divisions.
- o balancing the needs of different constituencies now
 - Stock market
 - Stock holders
 - Customers
 - Employees
 - Technology
 - Future needs
 - Legal requirements
 - Fiscal requirements

POINTS THAT COULD BE MADE ON RISK-TAKING

- o smart risks, smart gambles to make a better product - or sell it better
- or make it better or cheaper or smarter
- o look at what you're really risking - time, career, job risk?

POINTS THAT COULD BE MADE ON STRUCTURE

- o fluid form of organization
- o larger context - group as part of a unit - all part of Our Company
- o competing interests
- o need for individual to figure out right people to get things done not written in stone in an organization structure
- o some decisions require just a few people. Some require people at all levels - or people from several different divisions - because so many are affected
- o working with strong guidelines:
 - taking care of the customer
 - making the best technology
 - making the best product
 - giving new ideas a good chance to develop and succeed

POINTS THAT COULD BE MADE ON FLEXIBILITY

- o less supervision means you have to be more responsible. Take more care to be sure it all works together
- o consider selves "Our Company players," on loan to a particular business unit
- o goal of "Small Business Units" so that each unit can mobilize people to realizable goals
- o learn to deal with the confusion when the job direction changes because the overall need changes. So the job gets done well.
- o expect that nature of job will change here. Learn to do new and different things.
- o company - and we, as managers - need to be sure to tell people why things have changed, as much as possible. Makes it easier to adjust to new situations.
- o quality system TQS
 - attitude in approaching the smallest task
 - must become part of how we do all our work

POINTS THAT COULD BE MADE ON LAYOFFS/JOB SECURITY

- o layoffs as a last resort measure. Don't like to do it. But it can be required when the company gets out of unbalance. Decision made considering many across the board factors that make Our Company stronger, better company.
- o first, needed to streamline the organization
- o needed to reduce the size of an organization that was too large to manage the way we were
- o second, treated people really well when they left. Supported them. Excellent compensation too.
- o reminder that people got laid off across the boards, where it was needed. You may only know those in your department. But managers and others left too.
- o greatest good for greatest number, looked at competing interests for longest period of time.

POINTS THAT COULD BE MADE ON 'LUXURIES' / LAYOFFS

- o we're always working to decide what's most critical at a given moment, with strongly competing interests
- o sometimes these- decisions are made in the larger context of where the company is going in the long run. What makes sense over the long haul may not be best for everyone in the short run
- o we're looking at the business, technical and organizational aspects of the company, all at once
- o no matter what, we need to keep making certain improvements just to obtain a decent environment for the people who work here now.
- o but even if we didn't get building improvements, there still would have been layoffs
- o layoffs as a last resort. Only when demanded by the company's finances and ability to manage
- o trying to be up-front about those issues now, and as they arise, so there won't be surprises.

POINTS THAT COULD BE MADE ON OUR COMPANY TODAY

- o balance between how well we're doing and uncertainty
- o video on new products
- o some confidential info. Tell people why confidentiality is needed