

# IBU/SBU Realignment to Reduce Product Introduction Time

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Manufacturing Vice President JR NEWLAND has announced the realignment of strategic business units (SBUs) and individual business units (IBUs) in the copper apparatus business at the Omaha Works. The realignment allows our strategic business units to reduce product introduction time by integrating multi-functional expertise into teams focused on specific customers and markets.

AT&T Bell Laboratories, Product Line Management (PLM) and Omaha Works manufacturing will be aligned as partners serving our customers. The number of interfaces needed to make a decision will be reduced. Also, the Bell Labs and PLM people assigned to Omaha products will report to Manufacturing Vice President JR Newland.

Newland explains "Our goal is to satisfy our customers faster and better than anyone in the world. We can only achieve that through our execution of a quality-based business focused totally on the needs of our customers. The recent restructuring which aligned the functional expertise of design, manufacturing and product management into customer-focused teams is a major step toward that goal."

In the past, manufacturing location employees, product planners, and Bell Laboratories people didn't always work directly with each other to solve problems. Communication wasn't as efficient as it could have been. The manufacturing people didn't always work directly with design people. Bell Labs people often didn't work closely with the product planning people who deal directly with the customer.

Now, each SBU is its own business, with each IBU forming its own company within the SBU.

Newland, who became Omaha's manufacturing vice president April 1, feels "The barriers to communication have been removed. There are no hidden walls between organizations. Now that we have the resources, we must look to our customers for direction and then execute, execute, execute. Clearly our execution must separate us from the competition."

The plan is designed to make Omaha's products more competitive by cutting the time from product conception to delivery—also known as New Product Introduction (NPI). By serving the customer in a timely manner, the focus shifts from internal competition to responding to customer needs.

Why is time so important?

"If we don't get our product out quickly, our research and development dollars are wasted," according to RAY SWARTZ, Manager of Engineering and member of an SBU core team. "By the time our products get out, our research gets copied and we lose our market share."

The IBU/SBU realignments are based on Time-Based Business Processes (TBBP) and are a form of white collar just-in-time theory.

"Time is a dimension we haven't focused on before," says Swartz. "We've always concentrated on cost and product quality. That's why our development time is too long. We need to concentrate on all of these, keeping in mind our continuous quality improvement process applies everywhere."

Swartz cites this example. U.S. car manufacturers require 3 to 5 years from idea to customer. Honda of Japan accomplishes the same in just two years. As a result, the Japanese are perceived to be technological leaders.

The introduction of new products is important, as well. RANDY DUELL, Bell Laboratories Supervisor in Omaha, adds "If you don't make the right product, no one will buy it regardless of the features or the cost. Understanding customer needs is an important part of improving our business processes."

Swartz, Duell and JIT Implementation Manager MERLE DINSLAGE were members of a task force recommending the IBU/SBU realignment.

The task force worked to streamline the business process and communication, which promotes reduced product development time.

Dinslage says "Now, all members of each IBU are accountable for its results. Everything is tightly integrated."

So what changes will be visible at the Omaha Works?

Swartz foresees projects that "are going to be cross-functional. PLM and Labs people will be on the floor when we're ramping up a new product. On mature products, the design responsibility will go to the Bell Labs and AT&T professionals located here in Omaha."

The reduction in product development time means new products will be introduced more often and more quickly. "And that's a key to the future of our business unit," says Swartz. "We really have a very skilled workforce and we need to apply that skill on products that support what the customer wants—and on time."

## Meet the Millard South scholars



Nearly 300 Millard South High School students were honored April 24 with Academic Letter Awards for outstanding scholastic achievement. AT&T's GENE SAAB was the keynote speaker at the second annual event. AT&T and Mutual of Omaha sponsored the event under the Project Paybac business/education partnership.

Sophomore Lee Ann Martin, 15, daughter of AT&T's DAVE MARTIN and his wife Sherry, was recognized for her second year of outstanding work and was among several honor students who are children of AT&T employees.

Dave says "We're pleased that she's always been self-motivated. We don't take credit for her success."

Congratulations to all Millard South student, especially those whose parents are part of the AT&T family at the Omaha Works.

### *Matching your charitable dollars*

Did you know your memberships for the Joslyn Art Museum and the Fontanelle Forest qualify for AT&T's Matching Gift Program? Well, they do, and that's nice work if you can get it!

We're sorry to report that tickets to the Omaha Symphony do NOT qualify because the purchaser receives tickets for the contribution. However, if you'd like to donate cash, your money will be matched by the Foundation.

Call NORMA KORFF, ext. 3801 or RAE CACIOPPO, ext.3652, for details!

## April OMAHA TEAM WORKS results are in through May 4, 1990

Ideas submitted  
716 Tangible  
298 Intangible  
Ideas approved  
56 Tangible (approved) \$750,799  
37 Tangible (implemented) \$246,004  
107 Intangible  
Ideas not approved  
282 Tangible  
93 Intangible  
Performance Shares Issued  
11,979,000 Tangible  
1,422,800 Intangible

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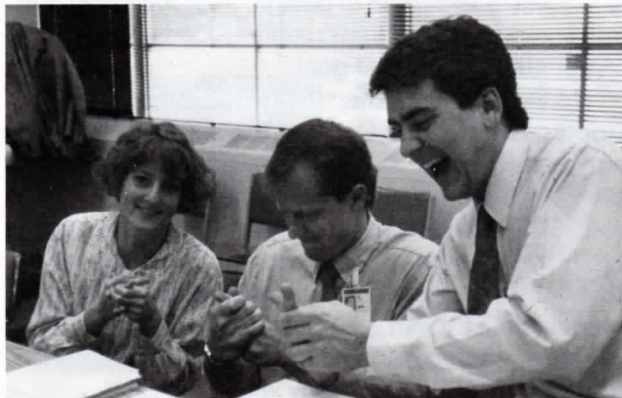
An OMAHA TEAM WORKS progress board is now available in the Bldg. 50 cafeteria as well as the main cafeteria.

We hope you're finding the board helpful.

By the way, "the offer to provide team facilitators is still open," says the training group's BEVERLY CAVANAUGH. So why not take her up on it and give your group a boost?

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## Buy Bonds!



Comparing paper cuts...from stuffing all that bond info into envelopes for employee meetings...(l. to r.) JULIE MICKLAVZINA, 083; KURT VANDERGRIEND, 703; RICH RUNNELS, 744.

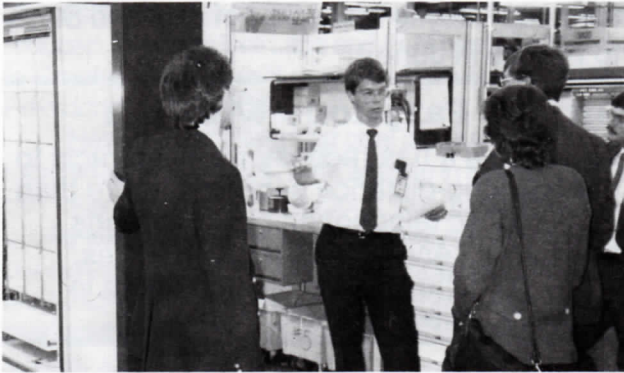
U.S. Bond Drive Chairman DICK RUNNELS says "We're getting many new authorizations and increased payroll deductions..." You can now earmark bonds for your children's education and THEY'RE TAX-FREE...state, local, federal. SUCH A DEAL!

The drive concludes on Friday, May 18, so make your appointment by calling ext. 3152 and a bond drive person will be more than happy to tell the "bonds are a great investment" story at your next department meeting.

## Production Control is a critical management tool

Sixty-five members of the Midlands Chapter of the American Production Inventory Control Society (APICS) toured the Omaha Works on Wednesday, April 18. The tour highlighted ORDER SEQUENCING in the 80-type cabinet area and the KITTING of parts in the cabinet feeder shops.

Over 15 AT&T people helped with the tour of representatives from major manufacturers in the area including Lozier Corporation, Valmont and Continental Can. AT&T folks are active in the chapter, including APICS chapter president DAN KRAEMER, Board Member RACHAEL HARTLEY and Director of Publicity STEVE PETERSEN.



The cabinet shop's JIM GRABENBAUER explains order sequencing and kitting to APICS visitors. AT&T's STEVE PETERSEN looks on.

**ORDER SEQUENCING is a JIT "pull" manufacturing technique designed to create a logical, even flow between feeder shops and the cabinet assembly area. Overloads and unevenness are eliminated when material and work-in-process queues are established.**

**KITTING is another technique new to the Omaha Works. In kitting, all parts needed to assemble a product are loaded onto one cart. The assembler has everything needed to build a cabinet within reach.**

## "ATTA-TEAM" AWARD



Talk about a team that's into documentation! (front, l. to r.) Coach TOM WARD, 579; CAROL LANDMICHAEL, 571; JAY McCRANDER, 571; SUE DAVIS, 571; (back, l. to r.) STEVE HENEGER, 571; DON CIX, 331; RITA GOURLAY, 532; and BOB DOUGLAS, 741.

Area Coordinator RON DICKMEYER has nominated Team D57911 for an "Atta-Team" award for excellence in idea documentation. Ron says he's "impressed with how the team did the job from the word 'go'. If the documentation is good, the team has a better chance of the idea being understood, getting it implemented and earning the points."

Team Leader STEVE HENEGER says the secret "is in the diversity of the people on the team. We have purchasing, engineering, operations, planning...and we've got a cross-section of talent."

The team submitted an idea which saved the factory \$25,000 by reducing the number of parts shipped to the customer. The second idea suggested a way to cut costs for product instruction sheets.

### **TIMING IS EVERYTHING...**

when it comes to providing the evaluation committee additional information on an idea. Did you know that if the evaluation team doesn't get the info by the requested date, the idea becomes open for any other team to submit?! It'd be a shame for a team to lose out because deadlines aren't met...

Will it really matter five years down the road? That's a good question to ask when you're bothered by a traffic jam or an argument. Don't allow minor setbacks or concerns to get in the way of concentrating on what's important.

# FYI...



Five of Omaha's finest are recognized on their day...(l. to r.) BARB KRZEMIEN, 1330; DELORES SIRIAN, 502; SHARON NEIDERHEISER, 0770; PAT SUDDUTH, 782; and KARI OEHME, 0771.

Strolling violins. Candlelight.  
Long-stemmed red roses.  
The mood was perfect. The food divine.  
Sounds like a great way to propose to someone OR a lover-ly way to say "Thanks" to AT&T Omaha's 40 secretaries, the latter of which was done Friday, April 27, during National Secretaries' Week. Have you told your secretary lately just how much you appreciate her?

## **How 'bout those Pioneers!**

In Region 3 competition, Cornhusker Chapter 92 took first place in the membership category and second place in the human enrichment category (for the playground built at the Child Saving Institute) at the regional conference on April 26-27 in Denver.

The Cornhusker Chapter remains a leader in Region 3, comprised of 11 chapters in 14 states. Congrats to the folks in Omaha!

**CONGRATULATIONS** to JOHN BONAVENTURA, Dept. 704...who, after 12 years of night school...is now a college graduate with a business degree...from The College of St. Mary on May 12. To all our college graduates...You've done yourself proud!!!

## **BOWLING CHAMPS IN OUR MIDST!!!**

Congratulations to two AT&T champion bowlers who won trophies in the March city tourney...JUDY HUNT, who took first in doubles with her AT&T partner JEANETTE PORTER...and third shift's SANDY BARNES, who took third place in doubles play with partner MARY VAN AUKER. Sandy bowled her first 600 series at that tourney and says "I've been striving for that 600 all year and finally got it!".

Speaking of 600+ series, Judy hit a 603 series and high game of 234 in her Friday AT&T league. Her team took first, as you might guess. These women are winning all over the place! Both are off to national tournaments--Judy to Milwaukee in May and Sandy to Florida in June.

## **Airport Payphone Winback**

AT&T says it has recently won contracts to provide long-distance service to more than 1,000 public telephones at five airports previously served by other companies. AT&T said the airports include those in Houston, Milwaukee and OMAHA.



No one needs to tell you golfers to get off the course when lightning and thunder threatens, do we?  
Good. We're glad you remembered. Now go out and have a great game!

Could friends be bought with money, how were money better spent?—Latin Proverb

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Did you hear about the man who fell through the screen door and strained himself?