

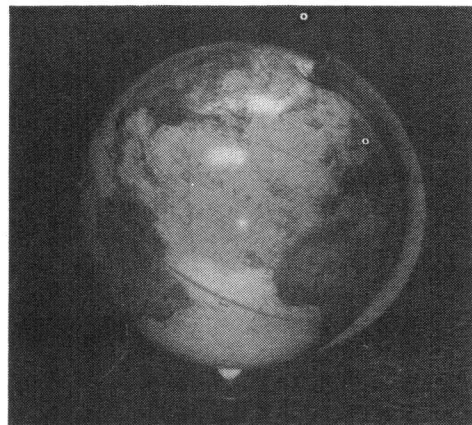
## A "QUEST FOR THE BEST" AWARD FOR MCB

That's what General Manager Jim McNerney is sharing with Customer Financial Services Manager Ron Cox (left) and Cost and Accounting Operations Manager Bob Davis (right).

"Congratulations!" wrote Dennis D. Dammerman, GE Senior Vice President-Finance. "Mobile Communications qualifies as one of seven\* winners in the fourth quarter (1986) 'Quest for the Best' competition. The Business' results in all categories of receivables performance—days sales, delinquencies and disputes—exceeded the goals established at the beginning of the campaign."

"MCB has now won corporate awards in both inventories and receivables control," notes Bob Davis. "This is an important result for our Work Capital Task Force effort, and a good start for our Winshare program."

*\*The other six winners: Major Appliance, Corporate Trading Operation, Lighting, Nuclear Energy, GEISCO, and Utility and Industrial Sales and Service.*



## PART II: MEETING THE CHALLENGES OF THE NEW GLOBAL ECONOMY

# Businesses are changing . . . to enhance their opportunities to compete worldwide

Last week the GE News took a look at some of the ways businesses are changing to meet the challenges of the new global economy. In that article, MCB General Manager Jim McNerney noted that change isn't always easy.

"Sometimes it causes a great deal of stress," said Jim. "Without change, however, improvements in

our personal lives and in the health of the business are impossible."

Pointing out that actions by competitors, changing customer demands, economic conditions, and new technologies frequently made change imperative, Jim said: "The failure to make needed changes has often had disastrous results for both employees and the business."

This week, we examine several more cases where businesses are making dramatic changes in their operations or taking drastic and

even painful actions to enhance their opportunities to compete worldwide.

### U.S. COMPANIES IN EUROPE

While Japanese firms have been busy buying and building plants in the USA, American firms are building plants in other countries. Analog Devices, Inc., a maker of precision electronics parts, plans to acquire a plant site in Linlithgow, Scotland, for a new semiconductor assembly and testing facility.

Allis-Chalmers Corp., the heavy and industrial equipment maker, is splitting up its worldwide operations into two separate companies. The realignment is part of Allis' continuing restructuring to become more competitive in international markets.

Svedala Allis A.B., the newly-  
(See "Businesses are changing," Page 2)



***"Without change,  
improvements in our  
personal lives and in the  
health of the business  
are impossible."  
—Jim McNerney***

*Businesses are changing*  
(Continued from Page 1)

formed multinational company based in Malmo, Sweden, will be composed of Allis-Chalmers subsidiaries in Europe, Latin America, Asia, and Australia and of several North American operations. The remaining businesses will continue to operate out of the company's current headquarters in Milwaukee.

### **WHETHER LARGE OR SMALL, CHANGE IS INEVITABLE**

Industrial giants like General Motors and IBM are no more immune to change than smaller businesses -- and they often must respond to the need for change just as quickly.

The fact that Greyhound has sold its passenger-carrying bus operations was mentioned in Part I of this article in the GE News last week. It will, however, continue to manufacture buses, expanding this operation with an acquisition from General Motors. GM has agreed to sell its North American

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transit-bus manufacturing operations to Greyhound -- another instance of a large company stepping out of a well-established product line.

IBM's profits plunged in 1986, and more cuts in their workforce are expected. Although the computer firm remains among the nation's most profitable companies, the '86 results are IBM's worst since 1982 and mark the first time since the height of the Depression in 1932 and 1933 that the computer giant has had two consecutive years of lower earnings.

IBM officials blame the earnings drop on such broad economic factors as sluggish capital spending in North America and moderating economic growth in some foreign countries.

IBM trimmed its U.S. employment by 5000 in 1986, and expects to reduce its present U.S. workforce of 237,000 by another 12,000 people this year.

As a matter of fact, the entire computer industry is in a prolonged slump. Wang Laboratories, a computer manufacturer which grew rapidly in the 1970s on the strength of its word-processing systems, plans to eliminate 1000 jobs and

**"Given our specific  
situation and the  
current state of the  
industry in general, it is  
imperative that our  
company adjust its  
operations."**

—Frederick Wang,  
President, Wang Laboratories

### **IN YOUR OPINION . . . why do you think businesses have to change? (any business — not just Mobile Communications)**



**MARY BRYAN, Mod Operator:** "To stay competitive and increase profits."



**NOEL SALMONS, Technical Leader:** "Business, industrial, and personal lives are ever changing things. We either adapt to these changes or we fall victim to them. Changes are not always comfortable or liked, but we have to adjust to them."



**WALLY RIDDLE, Specialist in Inventory Accounting:** "Businesses need to change because there are constant economic and social changes throughout the world."



reduce pay of its salaried employees by 6%.

"Given our specific situation and the current state of the industry in general, it is imperative that our company adjust its operations," said Frederick Wang, the company's president. Wang lost \$78.6 million in the last three months of 1986.

## CHANGE IS NECESSARY IN A CHANGING WORLD

As these and many other business news stories demonstrate, in a changing world businesses must change.

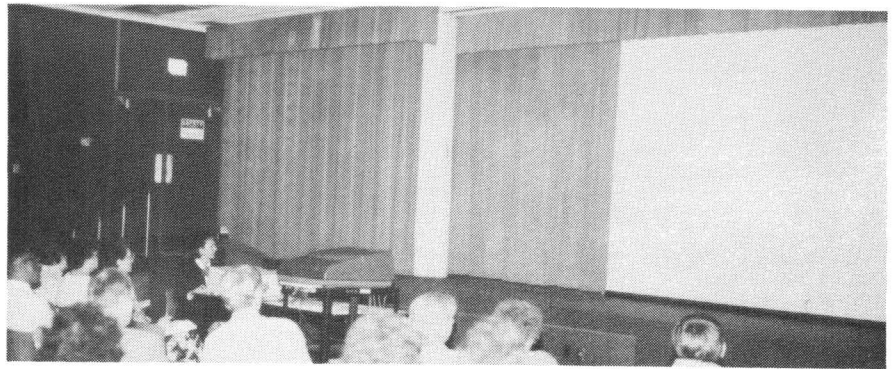
Jim McNerney -- and the entire MCB staff -- have stated their commitment to "make 1987 a banner year in an "Objectives/Mission/Strategy" statement which called for "enhancing opportunities to compete worldwide through a global approach to developing, sourcing, and marketing our products and services."

Says Jim: "Flexibility and a willingness to accept change can help assure the success of this strategy."

### ***MCB's Strategy:***

***"To enhance opportunities to compete worldwide through a global approach to developing, sourcing, and marketing our products and services."***

***—From "Make '87 a Banner Year, Objectives/Mission/Strategy" folder given to all MCB employees earlier this year***



## 'Guru sessions' get new look

The "Guru Sessions" have a new look!

ISO Professional Services, with the help of Bill Whiting and Herb Brown, have obtained an adaptor box that enables a PC to connect to the video recorder and project the PC's screen image onto the eight-foot viewing screen located in the MVR auditorium.

This new setup allows the "Guru" to key in sample data onto the PC which can, at the same time, be viewed by the people attending the "Guru Session."

The PC-to-video hookup provides a means of instructing large groups of people at one session and can also be utilized for demonstrations or presentations to a large audience.

"Guru sessions," an educational program to help users learn more about software packages from users who are currently operating a particular software package, were "opened to the public" in MCB earlier this year. The first session, on February 4, featured Bill Whiting reviewing the "Bulletin Board" program.

On February 25 Kirby Rhines presented the software package, "CHARTMASTER." An overview of the OfficeWriter 5.0 upgrade features was conducted by Beverly Gray on March 4. Other sessions scheduled for public viewing are:

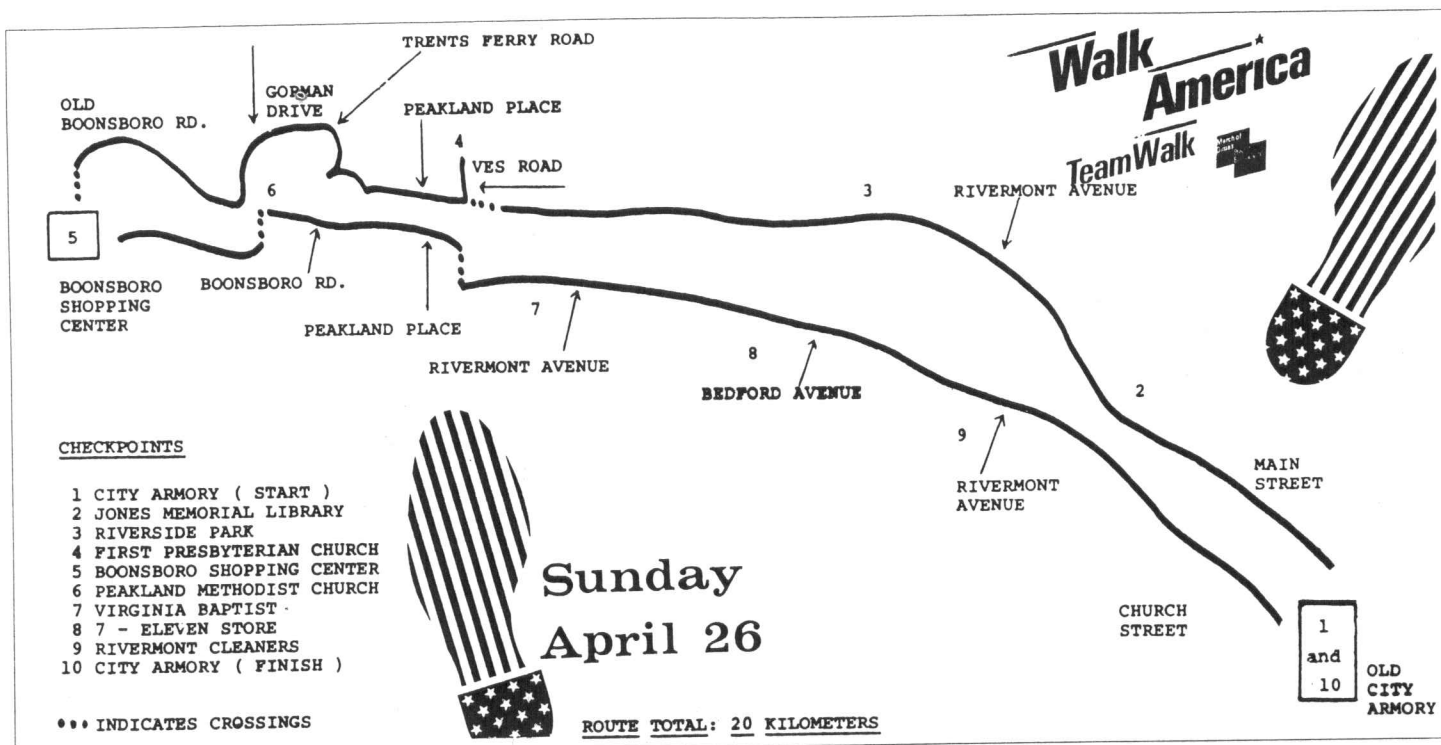
<u>DATE</u>	<u>SOFTWARE PACKAGE</u>	<u>GURU</u>
April 1	Super Calc 4	David Pruett
April 6*	TimeLine	Jeff Tuning
April 15	Lotus Macros	Jim Steffens
April 29	Diagram Master	Robin Hinkle
May 6	Dos Commands	Bill Whiting
May 13	Map Master	David Woodard
May 28	Alpha 3	Robert Putz
June 10	PC Privacy, Take Two, F32, MathCad	David Pruett
June 24	OfficeWriter Graphics	Beverly Gray
Aug. 12	Super Calc 4	Steve Riggan
Aug. 26	OfficeWriter 5.0	Helen Kittinger/ Beverly Gray

\*Rescheduled from March 18 date

No "Guru Sessions" are being scheduled for July due to plant shutdown and vacations.

The sessions will be held in the MVR auditoriums A-D from 4 p.m. to 5 p.m. The Guru Sessions provide an overview to help the user in selecting a needed package, inform them of the options available in the package, and to answer questions about the package.

Bev Gray, Guru coordinator, says that the purpose for starting the sessions at 4:00 is to make it possible for hourly employees to attend the meeting and gain knowledge about the different software packages and how they operate.



## Double credit for walkers in WalkAmerica

Anyone who is logging their walking for the Medical Clinic's walking program, and feels as if it's taking a long while to get to the 125-mile "finish line" — and their T-shirt, can take a giant step ahead if they participate in the WalkAmerica team walk Sunday, April 26.

They may take credit for the 12 miles as part of their walking program, even though the usual rule is a maximum of 2-1/2 miles a day.

If you're participating in WalkAmerica but aren't in the walking program — and would like to join — just sign up at the

Clinic after the team walk and take your 12-mile bonus to start off with.

The Medical Clinic walking program is simple: Just log your walking — with a 15-mile pace. Use the measured courses at GE or any other you choose at home.

The purpose of the WalkAmerica team walk April 26 is to raise money for March of Dimes programs in education, research, scholarship and equipment.

Dottie Tegnalia and Shirley Floyd of Personnel have agreed to coordinate GE's participation in the event, and will help team captains with the paperwork.

The 20-kilometer Walk-A-Thon starts at the Lynchburg City Armory and Market and goes out Rivermont Avenue to Boonsboro Shopping Center, returning to the finish at the City Armory.

All participants have to do is register to walk, secure sponsors, walk the 20 km. route, and collect pledges for the March of Dimes (all walkers must have at least \$5.00 in pledges)

If you're willing to be a team captain, or if you have any questions about the April 26 WalkAmerica event, please call Dottie Tegnalia at Ext. 7937 or Shirley Floyd at Ext. 7296.

**No employment opportunities this week.**

### GE NEWS

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### "Dear Shirley"

**QUESTION:** In the GE S&SP Program Annual Statement of Dec. 31, 1986 the unit price of the Mutual Fund was \$35.48, which was lower than the \$40.84 unit price of Dec. 31, 1985. Why has the value of these units decreased

when most stock prices have increased during 1986?

**SHIRLEY:** The value of an S&S Mutual Fund unit decreased from 12/31/85 to 12/31/86 because you, as an owner of these units, received dividends and capital gains distribution which totalled \$11.68 a unit during 1986. An optional gain distribution was made in December 1986 instead of the normal timing of 1/1/87 because of generally favorable tax treatment in 1986.