

FOCUS Magazine, January/February 1983 Edition



January/February 1983 edition of "FOCUS" magazine. An employee magazine published for AT&T's Advanced Information Systems employees and announcing the kick off of the combined company American Bell Information Systems. It lasted one year, almost to the day.



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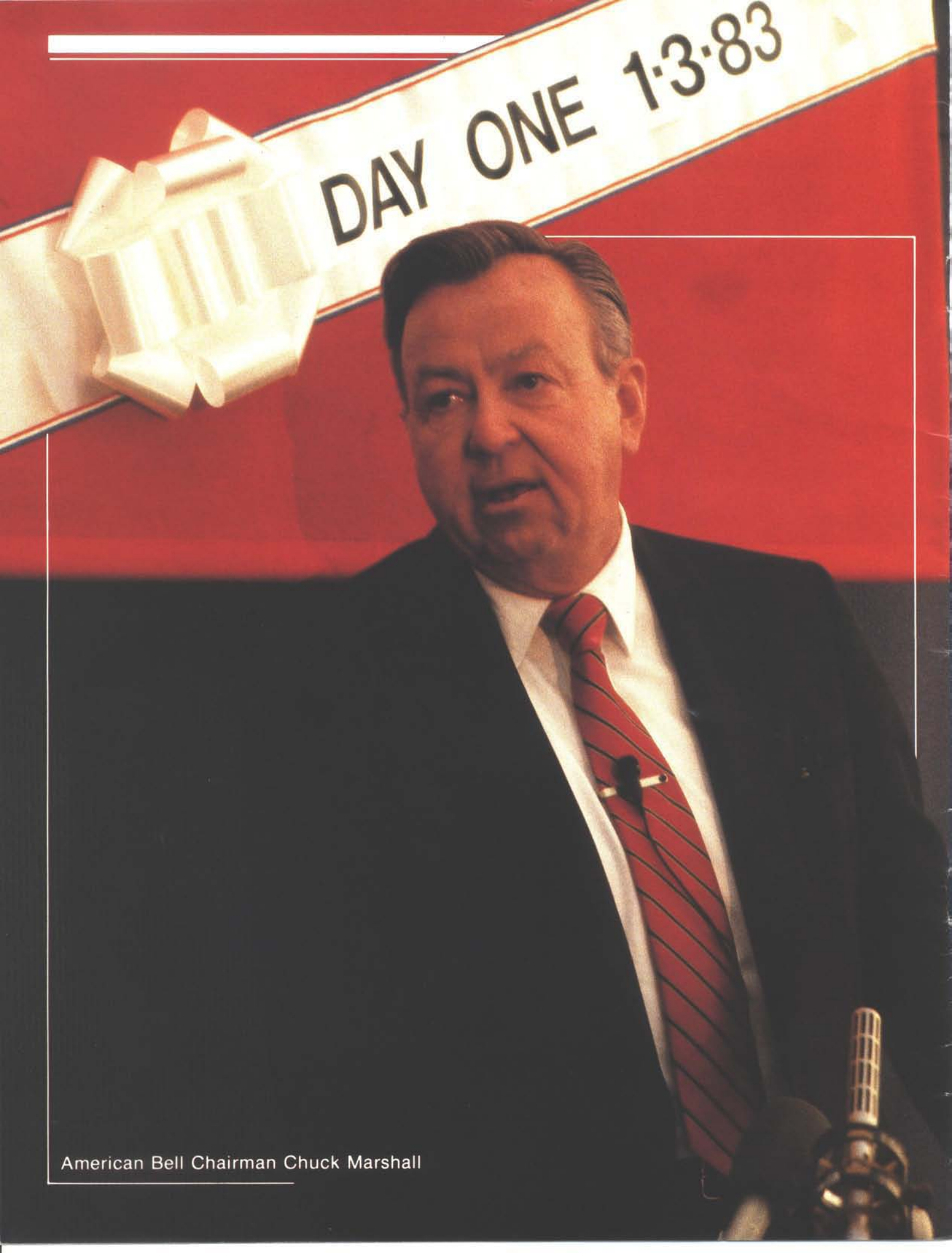
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FOCUS

JANUARY/FEBRUARY 1983



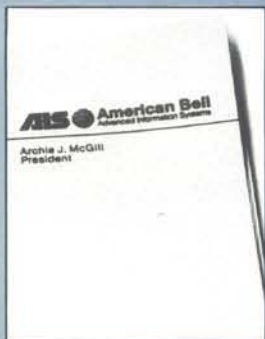
DAY ONE 1-3-83



American Bell Chairman Chuck Marshall

SPECIAL REPORT

It was great . . . exciting . . . memorable . . . fun. It was AIS's opening day, and FOCUS brings you an eyewitness report of what happened here in New Jersey.



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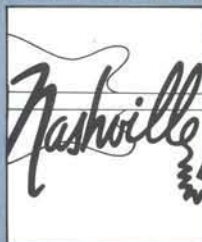
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We value your opinion, and we want FOCUS to be responsive to your needs. But we can't do that until you write and tell us what you find helpful and what you would like to see included in the magazine. In this issue we've supplied a reply form for your convenience. Please take a minute to give us your views.

31 Product Announcement



The first major AIS product announcement — Dimension® AIS™/ System 85, a new integrated business system for managing communications and information.

COVER



Parsippany, NJ, January 3, 1983, 7:30AM EST: While most of the nation brushed sleep from its eyes, AIS stood joyfully on the threshold of realization. With one symbolic stroke, the dreams, the hopes, the work of thousands came to fruition: AIS was open for business. Said AIS President McGill, "We're making corporate history today. We're what we said we would be: a major force in the information movement and management marketplace."

AT 8 A.M. THIS MORNING, THIS MEMO APPEARED ON THE DESKS OF ALL AIS/AMERICAN BELL PEOPLE.

AIS American Bell
Advanced Information Systems
Archie J. McGill
President

TO: AIS ASSOCIATES
SUBJECT: ALL THAT WE ARE.
ALL THAT WE CAN BE.

ALL THAT WE ARE. ALL THAT WE CAN BE.

There are those who said it couldn't be done. That it was impossible.

Today marks the beginning of a journey for you... for us... with our customers.

Certainly there is no precedent in American business for what we are about to do.

Ours is no phased conversion. There are no parallel structures or systems for us to fall back on.

Today we are reporting to work in new locations.

Our information systems are new: Order entry. Billing. Accounts receivable. Payroll.

And we've installed new communications systems. In fact, we even have new phone numbers.

There's scarcely anything we're doing today that isn't in some way dramatically new, or significantly changed.

We have a completely restructured organization to deliver our products and services. And every sale of those products and services will be to a new account.

No firm this size could begin as

we have. But you did it.

I want to thank each of you for an absolutely incredible job. You are an extraordinary group of people. I can't think of a more promising place for our future to be... than in your hands.

And I can make that statement because of a remarkable attitude each of you share.

A competitive spirit.

A free spirit.

Free to compete in the most dynamic marketplace humankind has ever known.

Free to take risks that can lead to great rewards.

You... all of us... have that freedom now. Let's capitalize on it!

As we begin, I want to share with you some of the basic values, I believe, represent a foundation on which we will build a great organization:

- That will be respected by customer and competitor alike.
- That, I believe, will be immensely successful.
- That will make a profound contribution to our society.

COMMITMENT TO CUSTOMER

Now... today... our central focus must be on customers.

We will listen to their voices... understand their concerns.

We will focus on their needs... always... before our own.

We will earn their respect.

And we'll build a long-term partnership with them... based on mutual respect, trust and our performance.

Customers are our lifeblood... our entire reason for being. We must never forget who it is we serve.

We've made a lot of promises to them.

We kept our word. We delivered.

They told us they needed a solid, no-complications solution to the problem of getting information to and from a computer... virtually any computer.

We gave them AIS*/Net 1000 service.

*A service mark of AT&T

Our customers want more.

It's going to be up to us... all of us ... to see that they continue to get what they want... when, where, and how they want it.

OUR MISSION

We want to be the vendor of choice in the freedom-of-choice marketplace.

As of 12:01 a.m., January 1, 1983, we have the go-ahead to carry out that mission. To give our customers Information Age products and services... limited only by our creativity.

Bottom line: As of today, our number-one priority is to help give American business a much-needed shot in the arm. A shot in the arm that will lower costs, improve response times, breathe new life into faltering revenue streams and greatly improve profit potentials.

American industry's future depends on its ability to minimize complexity by managing information productively.

This is where enormous leverage can be applied to improve productivity ... by streamlining the communications and information flows and conserving human energy for more important work.

Certainly new products and enhancements represent a major part of that leverage. But more of a response from us is needed.

A response in the form of unmatched reliability for those products. A response in the form of meeting new requirements. A response in the form of quality service.

QUALITY SERVICE

We've got to become inseparable partners with customers as they face information movement and management problems... uniquely, individually, responsively.

The true measure of how successful this partnership becomes will be directly related to how well we meet customer needs. How well we

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understand the specifics of their businesses. How well we understand the information flows in their workplace. How well these flows can be managed, streamlined and operated to increase productivity.

It's not going to be easy.

We're beginning our company in difficult economic times. The stagnation of our economy has had a telling effect on many Americans.

For some... the American dream is in question.

The single most important key to the resurgence of that dream, to its viability... and the building of a positive vision of the future... is an innovative, vibrant, growing and highly productive business community.

What greater challenge is there?

AIS was formed with the singular purpose of helping make that dream come true.

WHAT WE OFFER

We have the talent, the skills, and the commitment to help America once again assert its preeminent position in the world economy.

We have the Information Age technology and integrated systems to make that happen. We have the vision, the strategy, the organization... the dedication, the desire, and the commitment. We have the people... the best and the brightest... to my way of thinking.

And we now definitely have the regulatory and judicial go-ahead to innovate and to market.

Our product direction is clear... evolvable systems, product families, umbrella architecture, new peripherals and terminals. Products and services aimed at providing solutions to our customers' application needs.

Our pricing policies, too, are clear: Nationwide pricing... prices and changes to those prices that are determined by cost and market factors, rather than by regulation.

In short, competitive prices. And our relationship with custom-

ers is clear... as partners in bringing this Information Age to fruition... and making their dreams into realities. A relationship based on promises kept.

We in AIS are here today because of one such promise. We are already, on our first day of business, what we said we would be... a major force in the information movement and management marketplace.

Our customers must know what they can expect from us... what they can depend on us for:

- An undaunted commitment to marketplace needs.
- An undaunted commitment to the search for excellence.
- An undaunted commitment from you.

THE INDIVIDUAL

That kind of commitment is what it's going to take from us to survive in the competitive arena.

It will mean acting, on your own initiative, without hesitation... calling on all of your talents, skills, creativity and savvy... whenever and wherever it's required.

I promise you... you'll have the opportunity to contribute in our new company.

Don't ever hesitate to grab it... go for it. And grow because of what you bring to that opportunity, now... and in the future.

I am excited about what that future holds. It's a history-making future in which the customer has all the votes. And I look forward to working with you... for you... to make sure we never ever lose any one of those votes.

Now let's get on with it.

We've got promises to keep.

Archie

Archie J. McGill
President: AIS

A Joyous Day



There was a hushed anticipation in the air. Even the crush of photographers and reporters were quiet as the three principal players took their places, ceremonial scissors in hand. The atmosphere was electric. And then, with a well-coordinated "snip," the ribbon across the doors of the Northwest New Jersey branch office fluttered to the ground. AIS was officially open for business.

And the first order of business was a celebration — a birthday celebration, led by AIS President Arch McGill; Commissioner Borden Putnam, New Jersey's Director of Economic Development; and Northwest New Jersey Branch Manager Ken Foster. With the theme music from "Chariots of Fire" swelling in the background, the three walked into the auditorium set up in the branch office, followed by 122 branch employees and a host of guests and media people.

Over cheers and applause, Foster: "In case you haven't noticed, we're hyped! 17,000 AIS employees are on the starting blocks and ready to go for it." From the audience response, Foster could easily have been addressing the young Olympic runners the film described as having "hope in their hearts and wings on their heels."

After congratulatory messages from Commissioner Putnam and from Walter Luger, Director of the Morris County Board of Chosen Freeholders, AIS President Arch McGill took the floor. "This is a joyous day for me," he began. "I couldn't be more pleased to be here."

McGill offered his thoughts on the "real answer to what's happened here. There was an incredible capability, a pent-up potential in our people. The fact that we are here today is a tribute to our people, who have taken challenges any other corporation would have swallowed over a ten-year period and met them in six months.

"Thanks to them, we have new systems, a new structure — but most important, we have a new attitude. One that comes from the incredible transformation we're making from the world of telephony to that of information movement and management. This change has created a great uncertainty, but it's a natural result of our transition from an industrial to an information society. And we're firmly positioned in the middle of this incredible explosion. We have a chance to compete in one of the most exciting markets of all time."

McGill enumerated the criteria for AIS's success: "Responsiveness — or, to use our new word, 'responsability' — is most critical. No one asks for or expects us to be first in everything. What people expect and demand of us is that whenever we have the chance, we'll respond to the marketplace. We must be close to the leading edge in all our products and services. That includes their relative cost, price, and timeliness.

"Parts of our economy are in serious need of resuscitation," noted McGill. Fortunately, many of the tools we have today and will be bringing to the marketplace in the near future have the potential to help solve some of these problems. We can help people do their jobs better, more productively. We have an



American Bell

An AT&T Company







extraordinary opportunity to prove there is a better way.

"There are two ways we can look at this period of transition, where almost nothing is sacred or constant. We could stand in bewilderment and awe at all the changes that are taking place. Or, we can see the opportunity to help, to contribute, and to make our customers' activities more productive. And that's the kind of attitude that will guarantee success for us and for our customers.

"Today, we're at the precise moment in history that we wanted to be — that we hoped we could be," McGill concluded. "I congratulate all of you for volunteering, for electing yourselves into this organization. I look forward to your contributions to working with you, to working for you. Let's go get it done."

While President McGill sped off to Lincroft, New Jersey, to celebrate with the members of the Engineering, Design and Development organization, American Bell Chairman and Chief Executive Officer Chuck Marshall led the ABI headquarters people in a rousing "Happy Birthday" cheer. Said Marshall to the crowds lining the multistoried atrium, "I hope we have that much fun every hour of every day.

"We have a lot of plusses," he continued. "We have a tremendous technology. We bring with us an outstanding team of development people who have been working with us at Bell Labs. We have sophisticated products. And we have a number of exciting products coming on — with a string of enhancements that will make you burst with pride over what's going to be in the marketplace with your corporate name on it.

"But," Marshall observed, "what made this a reality was you. Our secret weapon has been the people. We couldn't have gone out on the street and hired the people to build this business. They had to come out of our business.

"It's your company. You made it. And I'm delighted to be a charter member of this American Bell with you. 100 years from now, American Bell people will be as proud of us as we are of those who created AT&T."

During the course of the day, both McGill and Marshall visited informally with New Jersey people. There was an especially enthusiastic welcome for McGill, General Systems and General Products Vice President Toby Julian, and General Business Systems Marketing Staff Director Dennis M. Lukas at Bob Focazio's General Business branch office in Parsippany. There were special congratulations for AE Greg Jackson, Service Reps Terry Fulco and Judy Chigi, and Customer Service Rep Doreen McManus, who made the first sale for the branch — at 7:30 in the morning, no less.

To crown the perfect day with a perfect evening, AIS hosted a reception for all 1,500 or so of its headquarters staff people. It was perhaps the largest birthday party ever held in the state of New Jersey. Although the day was at least twelve hours old for most of the celebrants, nobody seemed the least bit tired. The electricity which was so pervasive at 7:30 AM seemed not to have dissipated at all. Perhaps it never will.



They're Number One!



Arch McGill and Allied Electrical Components President Edgar Brower exchange commemorative pens after signing contracts.

Whatever Dan Vander Kooy, Eric Fleischer, Steve McGonigle, and Bob Lansinger may achieve in their AIS careers, they'll always be number one in AIS's book. Literally. Their sale to Allied Corporation's C & D Batteries division (of a Dimension 400 FP15) was officially celebrated January 3, 1983, as AIS's first.

With smiles that could be used in advertising for solar power, the Allied account team looked on as AIS President Arch McGill and Allied Electrical Components President Edgar S. Brower signed and exchanged contracts and shook hands. To make the occasion even more memorable, McGill himself entered the order with the Northwest New Jersey branch's Delivery Operations Support System terminal, amid a barrage of photographers' strobes.

Said National Account Manager Vander Kooy, in an interview with FOCUS, "We didn't know until a

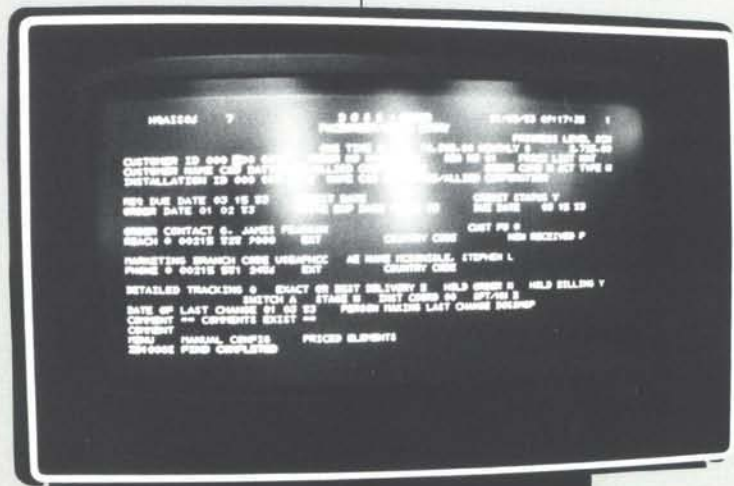
few days ago that we were first. We're really very proud of the honor." Added AE Fleischer, "We'll probably be a lot more excited in about twenty-four hours, when

The first AIS order input into the DOSS system appears on terminal.

this all begins to sink in. But it really does feel good."

Steve McGonigle, an AE, and CSR Bob Lansinger both work out of the Eastern Processing/Manufacturing branch in Bala Cynwyd, Pennsylvania. McGonigle described Allied's new system as having multiple applications. "C & D sells stationary and motive power batteries to industrial customers — including telephone companies who use them in central offices. They depend a lot on outside agents to sell their products. We demonstrated that they were losing business because of their inability to route calls directly to sales and marketing departments. Their new Dimension 400 will improve the efficiency of their order processing system and make them more responsive to their customers."

Added Lansinger, "Our system study proved in more aggressive ways for C & D to market their products, too. Their new system's universal call distribution software will allow them to set up an inside sales force and a customer service department. They'll see increases in



productivity as well as additional revenue as a direct result. They're also pretty pleased with the way they'll be able to use their customer administration panel to make system changes on a daily basis."

The four emphasized the teamwork that went into the Allied sale. Said McGonigle, "Bob and I interface directly to the customer location that was responsible for the proposal. But we really needed the help of Dan and Eric to interact with Allied's corporate headquarters to get the sale made. There was an excellent cooperation back and forth." Vander Kooy seconded the motion: "It was a very coordinated effort on both our parts."

How did the customer feel about

The "number one" sales team displays the signed contract. Left to right: Eric Fleischer; Dan Vander Kooy; Steve McGonigle and Bob Lansinger.

the team's efforts? Said Vander Kooy, "Allied people let us know they were very impressed with the way we went about the sale. We really did a lot of work to prove the benefits of the system we proposed. They appreciated that approach." Added Fleischer, "Allied has been very good to work with. Their perception of the whole team seems to be excellent. They've opened their doors and given us every kind of information we asked for. In fact, this system sale worked just like the book. They like to refer to us as their partners, which is really nice to hear."

What's next for AIS's "number one" sales team? After a well-deserved day of celebrating their own special contribution to AIS's

birthday, it's back to the many projects they have going for Allied. Said McGonigle, "We focused on the new voice system today, but we've already gotten involved with their order entry system. We've shown them how to cut time out of their overall order process. Now, we're going to concentrate on proving in some new AIS data terminals there."

With a team like this on the job, there's no way that Allied — or AIS — can lose.

Bob Lansinger
(215) 581-2488

Dan Vander Kooy
(201) 884-7000

Eric Fleischer
(201) 884-7000

Steve McGonigle
(215) 581-2456



A Year of Progress

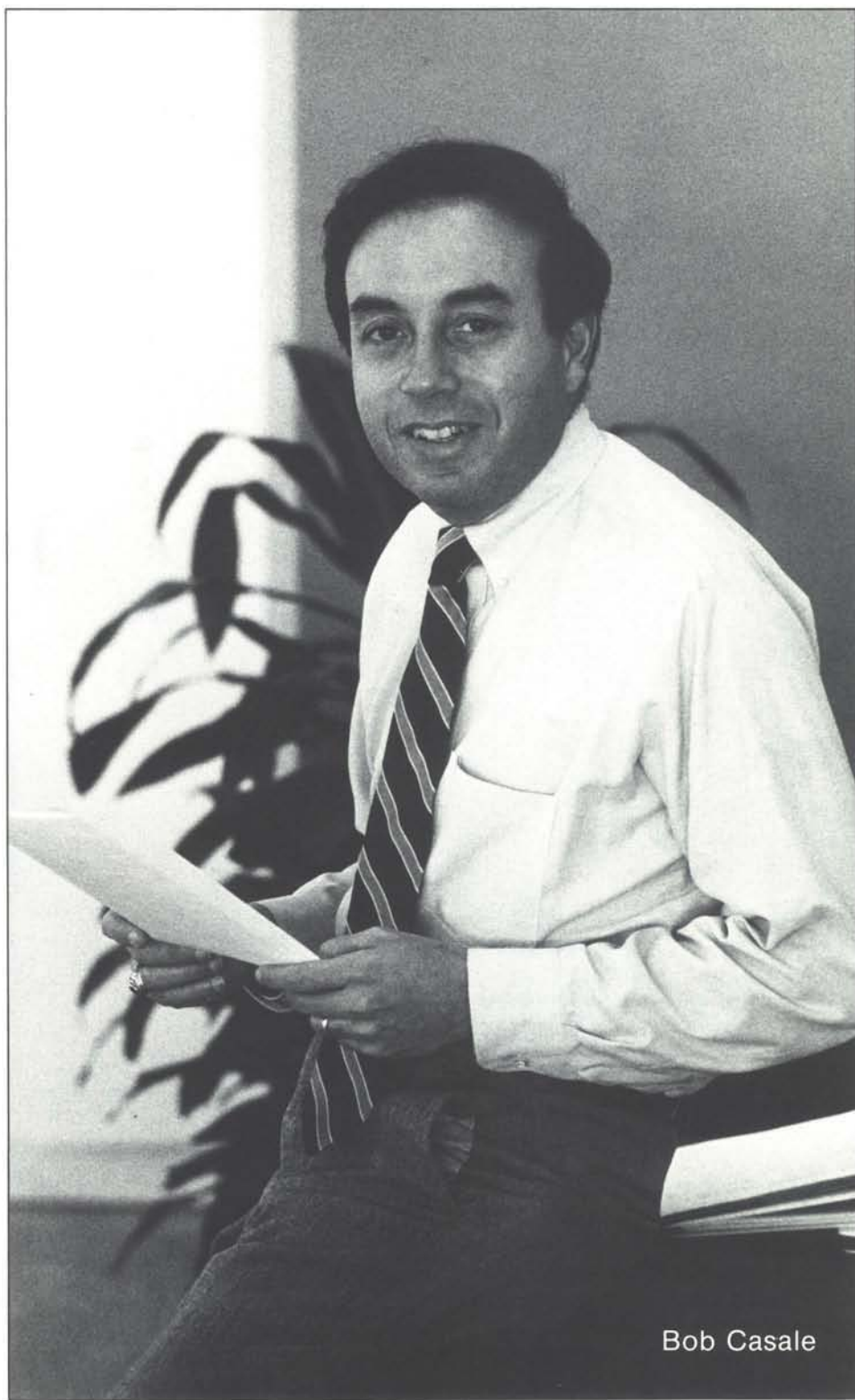
A plaque on the wall of National Sales Director Bob Casale's office reads "Change is one thing. Progress is another." It sums up much about his outlook and philosophy. In the past year, he has managed many changes in the nature of our business, but always with the goal of *improving*, rather than simply varying the operations and controls so vital to maintaining a top notch sales force.

Casale's career with AT&T began in 1975, as a marketing supervisor in the health care industry. That same year he was promoted to marketing manager-hotel, motel and health care. In 1977, he became director of the government, education, and medical (GEM) sector, moved to Marketing Operations in 1978, and completed his third year with Bell as director of financial performance and administration. He moved to New England Telephone to become vice president of business marketing and has been AIS national sales director since October 1, 1981.

Casale was interviewed by FOCUS Feature Editor Robert Nersesian, who was particularly interested in the difference a year makes:

Focus: The last time we spoke, October of 1981, you had just moved into this job. I asked you then how you interpreted your mission and you answered with three words: "ensuring effective performance." I'm wondering if your view of the job has changed at all.

Casale: No. In the past year we've achieved considerable progress in the attitude, responsibility, and accountability of the field sales and support organization. There's a clear understanding that effective performance revolves around *customer* determination of effective performance. We've marshaled our



Bob Casale

resources to make sure that's what we do. We look at results but also at progress in attitude, in the kinds of personal determinants that are critical to achieving a goal, and how our people think about it . . . how do they feel about it. What's their sense of independence, of risk? These factors aren't things that can be bottled. You have to look at a myriad of indicators, human factors as well as hard numbers. For example, you know we've made a number of product enhancements this year that have helped us translate product relevance and value into the equation of effective performance.

Focus: Our people in the field would like to know what's ahead in 1983 in terms of marketing plans and strategies, what's commonly called "the vision of the future." Without giving away any competitive position, what can you tell people about the opportunities ahead?

Casale: What's important is that we're a different organization with different opportunities. We're no longer regulated. That enables us to manifest, in a constructive way, our competitive spirit. The new pressures that we'll have to respond to will be those of the marketplace. All the avenues we must employ to respond to customers such as product, organization, and support will reflect our sense of responsibility and competitiveness. The product line will reflect those areas of information movement and management that are essential to our customers. The organization is designed to plan, identify, and manage resources to do the job in the customer's environment. One example is our move to general business and national business market divisions, so that we can integrate line and staff responsibilities and ensure that we respond to the differences of sales techniques, distribution channels,

"Change is one thing. Progress is another."

and customer needs required for a variety of market segments. It's very different from our historic way of doing business. We're betting on the branch manager. He or she is the cornerstone of our field structure. Consistent with that is the establishment of management systems and tools that enable that branch manager to do the job for us, to make him or her feel accountable as well as the rest of the sales team.

I also see continued progress and continued maturing in the way line and headquarters staff work together, always concerned, above all, about timeliness. I see effective communications with the lines of business to ensure that product thinking, development, design, and management are all incorporated to ensure responsiveness.

Focus: Do you think the Advanced Information Systems division has truly demonstrated a caring for the individual in the past year? Is there room for improvement?

Casale: I trust there's been good progress. There was increased opportunity this year to demonstrate it. We showed care by satisfying 85 percent of our people's preferences for working in either the Bell Regulated Entity or American Bell. However care isn't something you can universally measure. It happens as a result of personal attention and personal management.

I think our efforts at communications—explaining what's

going on and why it's going on—is getting better. And yet, there's still a considerable amount of work for us to do.

Focus: Could you explain why many salespeople's product objectives were raised over the course of the year?

Casale: It's true that we made major revisions in most regions' objectives. That was because it became very clear that the objectives originally established were not consistent with the opportunities in the marketplace. One of the reasons for that inconsistency was the way we counted and retired those objectives. As a partner in the corporation, Marketing would have been derelict, in my judgement, if it had not made a major revision in objectives. It's interesting to note that in one region we lowered objectives.

Focus: Many observers noted during the first quarter of 1982 that sales were a bit slow. Yet, things seem to have exploded in the last half of the year. Why so?

Casale: In that first quarter, we were attempting to manage in a matrix fashion—which we had never done before—a national sales organization; the merging of 20 different organizations into six. It's a complex and difficult challenge. When you lay on top of that national objectives allocated to the regions, you create enormous pressures for an organization with little experience in functioning that way. It was hard to assess what levels of performance and opportunities—what mix of these—should take place. What to me is a good indicator of our progress is that in each of our quarters there has been an improvement over the previous quarter. That clearly shows our progress and our capabilities as a sales organization.

Focus: In a recent interview, Peter Drucker remarked that the problem in motivating people is to keep from turning them off, that the quickest way to quench motivation is to not allow people to do what they've been trained to do. In the past, our salespeople have had to spend a lot of time on activities other than selling, specifically paperwork and fulfilling staff systems. Are we finding ways to prevent the quenching of motivation?

Casale: One of the objectives that I think everyone on staff feels responsible for is that the quenching doesn't take place. The line sales support programs developed by our staff have at their core the continual freeing of sales time for salespeople. We will constantly strive for that. There isn't an absolute point where one achieves it but it's clear that once that philosophy is a way of life, each program, in the course it travels to the field, will be judged for the burdens it alleviates. Of course, not having to satisfy the requirements of regulation will be an enormous boon toward eliminating certain systems.

Focus: The business press notes that for the next several years, American Bell will have a negative cash flow. Any cause for alarm?

Casale: It's true that in our start-up we'll be in the red. But it's understandable. We have no revenue stream to enjoy at the outset. I don't find that in any way threatening because there's a strong commitment from the corporation to support American Bell over a period of years, to ensure that it has the financial support to achieve its marketplace objectives—namely to be a leader in the information management world. And the corporation's support imposes an obligation on us to be financially accountable.



Focus: Speaking of finance, do you think we're providing sufficient cash incentive, particularly for our top performers?

Casale: Yes, and I think it's responsibly balanced. You have a lot of choices as a sales professional. If your goal is the highest monetary return then, clearly, you will look for environments of significant risk. The questions one must ask are, "What are my career objectives? With whom do I want to be associated?" I think our organization provides a unique career opportunity: to be a salesperson with a wholly new company that has been planned to be and is expected to be a major force in the information marketplace. It's an especially ripe time. And there's good evidence that our compensation planning will continue to be consistent with the philosophy of

risk and reward.

Focus: Yet at least one industry consultant says that most Bell employees don't understand the concept of risk analysis as it applies to a competitive marketplace, that we've always been in a win/win situation no matter what course of action we follow.

Casale: I don't believe those comments are accurate for our salespeople. They've been deeply involved in the realities of a competitive world. They understand that world and understand it well. They appreciate the risks associated with it.

Focus: Can an individual in our organization step out and take a risk? Can "honest failure" be tolerated in AIS?

Casale: There are numerous



examples of people coming forward and trying new things. Many salespeople have suggested "non-standard" ways of satisfying customers. There's a greater opportunity to deal with those suggestions and deal with them responsibly. I think we're doing that. If what you're implying is that when one fails, one is penalized and therefore the thing you want to avoid is failure—than I disagree with that implication. People are succeeding in our organization because of their will to achieve, not because they're avoiding failure. Those are two very different motivations. A person's achievements comes as much from what he or she uniquely brings to the job as anything else.

Focus: Are we focusing our competitiveness properly? Is there a good balance between internal

and external competitiveness?

Casale: Competitiveness and anarchy are incompatible partners. The competitive spirit for us means being responsive to our customers. To achieve that, the entire organization has to embody the competitive spirit. I find that to be constructive rather than destructive.

Focus: About a year and a half ago, IBM reorganized its sales force so that salespeople would concentrate more on office automation applications. Arch McGill has been quoted in *Datamation*, saying that as terminals and technology evolve, work stations will become more and more important and that we'll carve out that area as an opportunity for us. Can an AIS salesperson look forward to selling the office of the future?

Casale: Certainly. Our path is somewhat different from our competitors'. We'll follow a course that's communications based. It will revolve around white collar productivity. If you look at the enormous advance in voice management, networking . . . if you see our work in applications for energy, voice storage, sensors, you'll get an idea of our launch base into office automation. We have a strategy to get us from "here" to "there" and it will serve our customers and ourselves well.

Focus: Michael Macoby has said that the successful leaders of the '80s will be those who recognize that what motivates *them* may not be what motivates others. It leads me to ask, are we looking for the stereotypical "right" person for our sales force? Is there room for diversity of personal style?

Casale: I believe so. We're attempting to recruit people who possess the qualities to succeed in a competitive environment and have the capacity to develop as salespeople. That doesn't mean we have to discourage individuality. In fact, I hope we would provide an environment where people feel free to be different. Not for the sake of being different, but always with the view of making a maximum contribution to our goals.

Focus: What do you foresee in the next 10 years as far as AIS is concerned?

Casale: I'd like to see us become one hell of a company. A great and rewarding business to work for, an unqualified leader, in terms of the market; a place that customers feel a respect for, a need for. A company with a special sense of mission. That's what I'd like it to be. I feel *good* to be with it at its founding, to have a chance to play in the game. It's interesting . . . the founding will set the tone for years to come, a tone for success and achievement.

A Word About the Music and Negotiators From Nashville

by Alex Cornella

Q uite a few years ago John Sebastian wrote and the Lovin' Spoonful recorded a bouncy song called,

"Nashville Cats." Its simple, crisp lyrics and effervescent background music are guaranteed to elevate anyone's spirit. Do you remember how it went?

*Whack a whack whack a whack
whack a whack . . .*

*Nashville cats play clean as
country water*

*Nashville cats play wild as
mountain dew*

*Nashville cats been playing since
they's babies*

*Nashville cats get work before
they're two*

Is your toe tapping? Well, the purpose of this stroll down memory lane is to point out that Sebastian's song is a musical expression of the spirit and enthusiasm of the National Sales Center's staff in Nashville, Tennessee.

During the month of December (when this report was written), the National Response Center operated in compliance with Computer Inquiry II by answering customers' questions about the changes planned for 1983. It also set the stage for the National Sales Center (NSC), which began operation January 3, 1983.

The response center's primary function was to provide additional information — hand holding, if you will — to the customers stimulated by a \$900,000 campaign aimed at twenty-three major American markets and the audience of the *Wall Street Journal*. The print ads highlighted what would change and what would remain constant in the Bell System's business relationship with the world. An 800 number directed the readers to call Nashville if they had unanswered questions, or if they just wanted to talk. From the onset, Gary Davis, the center's division manager, didn't

expect a barrage of calls. If they did come, however, his team was ready.

The NSC will function as a three-faceted telemarketing center, according to Davis. "There is a need for information. Our five million customers want to find out how to do business with AIS. When customers contact us, our staff will inform them where the local branch is, what services and products AIS offers, and why we have a new structure."

The NSC's second purpose is to generate leads for branch offices. Customers will be qualified and



Gary Davis

profiled. Their needs will be communicated to the appropriate branch. Davis said, "We'll be helping to maximize AEs' selling time."

Direct sales of products to general business customers will be the NSC's third purpose. According to Davis, "The direct-sales trial is scheduled to begin late in the first quarter of 1983. It's an opportunity we can't wait to begin."

Two computer systems will support the NSC. One runs with the

Dimension® 2000, FP 8 and is known as Pro 500. The system monitors the number of incoming calls, response time, call length, and other vital signs significant to an operation whose sole means of customer contact is by telephone. Seventy-eight different management reports are available.

The second system goes by the working title of DIMIS: Direct Marketing Information System. Tim Foster, a district manager based at Headquarters Plaza in Morristown, New Jersey, is responsible for DIMIS' software development and maintenance. According to Foster, the system will format customer information, create sales leads and ship the package online to the client's nearest branch office. Foster said, "The system will maintain an audit trail on the efficiency of our advertising programs. AIS will be able to record which kinds of customers respond to which ads." The system will also be able to track branch offices' responses to the leads it generates.

*Whack a whack whack a whack
whack a whack . . .
Wellll, there's thirteen hundred and
fifty-two guitar pickers in
Nashville*

*And they can pick more notes than
the number of ants on a
Tennessee ant hill*

*There's thirteen hundred and fifty-
two guitar cases in Nashville
And anyone that unpacks his guitar
can play twice as better than I will*

The city of Nashville was chosen as the site for the NSC because of several factors. "We did a careful analysis of many major cities," Davis said in reference to the site selection. "From a quality of life standpoint, from the available labor pool standpoint, from the telecommunication and space cost standpoint, Nashville came out the winner in all cases."



The Nashville Cats display their zest during a training break.

Photos by Alex Cornella

In addition, there are many outstanding colleges and universities, both private and public, which offer talented, industrious graduates to fulfill NSC staffing needs. Davis' senior staff is very pleased with the initial group of new hires that started working on November 8th. "Their enthusiasm is absolutely contagious," was how Sales Manager Evelyn M. Bonney described the negotiators reporting to her.

Twelve senior staff members were selected to help get the center off the ground. Most came from AT&T staff and South Central Bell. Others came from Long Lines and elsewhere in the Bell System. South Central Bell's support was instrumental in launching the center by its target date of December 6th. "The people of South Central Bell were terrific," Davis proclaimed.

Before joining the center in the

capacity of district sales manager, Paul Kotseos worked for AT&T Business Marketing and C&P. As the center's top sales manager, he is responsible for managing most of its staff. This includes inculcating new hires in AIS values. "You can't play games," he coached a group of trainees in professorial tones. "Too much is at stake. *You* must be trustworthy. We must be an honest company to do business with. Above all, we must be ethical and responsive."

A new position was created for the center — the sales negotiator. According to Frankie Fanelli, district manager in charge of human resources, the job was created because face-to-face selling at the low end of the product line is too costly. "The sales center applies telemarketing to our own business needs," she said.

Sixty sales negotiators have been

hired to date. They've been through a four-week intensive training course taught by instructors from the National Sales School, South Central Bell and Southern Bell.

"Most sales negotiators are in their middle twenties," Fanelli said. "They're college grads who ranked at the top of their classes and had leadership roles in extracurricular activities." In most cases, this job is their first career opportunity.

The negotiators are very optimistic about their futures at the center. Mary Slaughter, a negotiator who joined the center in November said, "We're on the ground level of something that is really going to take off. I am impressed with the camaraderie among the negotiators and the support we get from the managers. The managers know that individuals are going to make or break this place."

According to negotiator Doug

Cowan, one of the most rewarding parts of the job is contact with customers all over the United States. "It's fun because one minute you're talking with someone in Philadelphia and the next minute it's someone in Waco, Texas. You get a wide variety of personalities."

The NSC expects to receive more than 700,000 calls in its first year of business. An indication of what it will be like came one day in December when calls peaked at 700. The majority of customers wanted to know about the fate of their AT&T stock. Many callers wanted to know if they could buy their telephones rather than lease them. One caller complained that competitors were pestering her company about changing their system. She insisted she needed a salesperson to visit the company immediately to offer them new or existing equipment. She was referred to the local sales office. In fact, many customers were referred to other units within the Bell System for more specific answers to their questions.

Naturally, there were clients who



Frankie Fanelli



Paul Kotseos

could not be placated no matter what the negotiator said. The law firm moving to new quarters and wanting immediate installation, and the Californian who wished to debate the metaphysical dialectics of business are two cases in point. However, the most unusual call of the day was routed to Chris Collins early that morning.

"Good morning. This is the AT&T National Response Center," Collins began.

"I'm calling from Hugo, Oklahoma and I'm having a problem with the @&!#\$! phone company!" an irate man shouted.

Collins' eyes lit up with delight. He had a live one. "How may I help you?"

"Listen here young man. I got this phone in 1912, but now I'm getting up in years. I can't hear the #@!*\$%# thing."

Collins couldn't believe it. "You mean you have had the same telephone since 1912? Western Electric sure makes them reliable."

"That's what I said, didn't I? 1912. By the time I hear it ring the caller's

gone or I dang near break my neck getting to the phone. Now, the @!&*\$%# phone company wants to charge me 84 cents a month for a deeevice to make it ring louder," the oldtimer's voice shouted.

It all seemed perfectly reasonable to Collins. "Well, sir, what's the problem?"

"Dang it, young man! I shouldn't have to pay an extra 84 cents a month for the deeevice. They ought to give it to me. I was their first customer in Hugo."

"That's fine, sir," Collins replied.

"However, we can't provide free services. You see, that's regulated . . ."

"Buffalo burgers!" the old man interrupted. "I'm on a pension. I'm a veteran. I'm ninety-four!"

Collins tried to appease the customer. "You must be very proud to be ninety-four . . ."

"Proud, hell! I might die any minute."

Whack a whack whack a whack whack a whack . . . Welllll, there's sixteen thousand eight hundred and twenty-one

*mothers in Nashville
All their friends play music and they
ain't uptight if one of the kids will
Because it's custom made for any
mother's son to be a guitar picker
in Nashville
And I sure am glad I got a chance to
say a word about the music and
the mothers from Nashville*

The NSC's goals for 1983 are still being developed. "We had a commitment to be off and running by December 6th, and we met that commitment," Davis explained. "Our staff is as fine as any. Our knowledge of telemarketing is equal to anyone's." He underscored the concept that the NSC will



Evelyn Bonney

provide the sales force with qualified leads which will shorten the sales cycle. And when the center begins selling, they'll be a complementary sales channel to the general business branches.

Davis concluded by emphasizing the efficiencies derived from a national center. NSC's expense-to-revenue ratio will be the lowest in ABI, he predicted.

If You Go To...



Surprisingly, Nashville's music industry ranks third in terms of importance behind publishing and insurance. Not only is Nashville a good place to do business, but it is also a great place to unwind. It is one of the most entertainment oriented cities in the country. Its restaurants, theatres, lounges and museums are overflowing with creativity, talent and good, clean fun. Here are some places to investigate when you get there.

LOVELESS MOTEL & CAFE
Route 5 — Highway 100
Nashville, TN 37221
(615) 646-9700

The Loveless is a Nashville landmark, often frequented by the biggest names in country and western music. It specializes in authentic preserves, country ham, hot biscuits and red-eye gravy. It's the antithesis of macrobiotic, but if you're fearless of cholesterol and salt, you must eat there. The atmosphere is quaint and Mr. and Mrs. Loveless will mail order a 21 pound slow cured, hickory smoked, country ham anywhere. Ask for the Loveless Hams and Jams Catalog. Closed on Monday.

THE TENNESSEE PERFORMING ARTS CENTER
P.O. Box 3406
Nashville, TN 37219
(615) 741-2787

"The Member of the Wedding," a play by Carson McCuller and "Evita" are examples of recent first rate productions. Tickets range in price from \$19.50 to \$23.50 depending

upon the performance and seat location. Ten percent discounts are available for groups of 20 or more.

OPRYLAND, USA
Opryland Drive
Nashville, TN 37214
(615) 889-6611

This family entertainment center resides in a 120-acre park. Nine musical theme areas recount the history of American music with continual live performances. Specialty restaurants, rides, animal exhibits and craft shops abound.

GRAND OLE OPRY
Briley Parkway
Nashville, TN 37214
(615) 889-3060

This most American of institutions is now situated in a new theatre complex adjacent to the mammoth Opryland Hotel. Rumor has it that tickets are sold out a year in advance, but savvy bartenders and bell captains have been known to work magic when properly motivated. Opry shows are held each Friday and Saturday night. Matinees are held Friday, Saturday and Sunday during the summer season.

THE PARTHENON
(615) 259-6358

The world's only replica of the Athenian Temple is located in Centennial Park off West End Boulevard. Inside, you will find reproductions of statuary, a permanent art collection, a display of pre-Columbian art and various exhibits. Closed Monday.

A Conversation with Ken Bertaccini

Ken Bertaccini is vice president of AIS' Pacific region. Bertaccini, who has been with the Bell System since 1968, started as an account executive in the general business market in San Jose, California. This was followed by various line sales management and headquarters marketing staff assignments in Pacific Telephone. He came to AT&T market management in 1974, was instrumental in developing the multistate marketing program, and helped to implement the Bell Marketing System in the field. In 1978, he returned to Pacific Telephone as general marketing manager for the distribution industries. Named vice president of business marketing in May 1981, Bertaccini succeeded Bill Buehler as Pacific region head in December of that year.

Recently, FOCUS visited Bertaccini in his San Francisco office, and asked him to share his views on the future of AIS as a competitive force in the information management marketplace.

Focus: The organization many of us have looked forward to for some time is now a reality — that is, the AIS division of American Bell. How do you view its structure and spirit?

Bertaccini: To build an organization from scratch, which is essentially what we've done, is an incredibly exciting prospect for any manager in any business. People are excited about being part of something new. And without regulation, with the freedom to enter the competitive marketplace, we're beginning a whole new business life. I think AIS, American Bell, and the entire Bell System are better positioned than ever before to take advantage of the tremendous market opportunities that are developing. We've been talking about the explosion of information management for years. Now, we're really

going to go after it.

While there is tremendous opportunity, there will also be substantial risk. I think that the odds are, however, clearly on our side, and that the end result will be an enormously successful new company.

Focus: Almost everyone in AIS chose to be a part of it, and probably anticipated Monday, January 3, 1983 with great excitement. But do you think there will be a letdown when we're "just doing business?"

Bertaccini: We don't have time *not* to be enthusiastic. When I look at what has to happen now that we've begun — we have such a demanding, yet exciting task ahead of us that I don't see the spirit draining. Especially since we're working to establish ourselves *for* ourselves, just like all other business entrepreneurs.

Think of the magnitude of what we're doing. We've created a whole new corporation in unheard-of time frames. And I believe that we're pulling it off in an extraordinary way. The first six months, however, will test the limits of our professional skills. I mean we'll need extreme resilience and absolute commitment to make it continue to happen. But make it happen we will.

Focus: Aside from establishing a new corporation, what do you see as our biggest challenge in the new environment?

Bertaccini: I think the biggest challenge in the short term is in giving people all the knowledge they need to make things mesh. For example, everyone needs to clearly understand our evolving product line as well as all the new job roles in the branch office environment. This calls for a great deal of education. The sophistication, the pace, the risk of our business dictates a high degree of personal development for every person, line

and staff.

The "try it—do it—fix it" philosophy comes to mind. If we don't have that attitude, we're going to be in a lot of trouble. We have to encourage people to take risks. We have the kind of quality people who can step up to that risk, and I think we're going to see incredible personal growth as a result. That has to be the heart of our management style. We can't have people telling the sales force how to dot the i's and cross the t's. We've got to give them the room to let their own creativity find its place in our great new organization.

Focus: There seems to be a direct linkage between "try it—do it—fix it" as you describe it and another AIS value, "caring for the whole person." What are your thoughts on that?

Bertaccini: I have to tell you that I not only believe in the "whole person" concept from the top of my head to the tips of my toes, but that I have always tried to live it. You can't introduce change — compensation plans, organizational shifts, increasing product sophistication — without causing some individual trauma. Even a clear realization that the company has to move forward doesn't lessen the difficulty of implementing change. There's never been a time in our existence when consideration of the individual has been more important. It has to be at the heart of our daily thinking. If we haven't already done so, we must convince our people that we do care, and that we'll take them into consideration in all our management actions.

I think one key to this is not only the actions we take, but how we communicate them. The importance of communication, not just in the broad corporate sense but in reaching out to each person, has never been higher. In order to make people entrepreneurs and

by Elizabeth Ellison

partners in the enterprise, they must have enough information to play the game well. You can't keep them in the dark and expect them to take risks.

The Personal Touch

Focus: What are you doing personally this year to enhance your regional communications?

Bertaccini: By the end of January I had spoken personally to

putting a high premium on helping people understand and support our corporate direction.

Focus: I understand you've established a regional communications council. Could you tell us a little more about it?

Bertaccini: In 1982 we had a regional council made up of a number of AEs, CSRs, BOA people, and SAs. We met every couple

impacting our organization. The council has been a major element in our attempt to have open communications channels.

In 1983 as a result of our new organizational structure and because of the importance of this kind of communications, we are establishing a council within each of the area VP organizations. This should allow this important forum to contribute even more to opening up communications channels within our region.

Focus: What are the chief responsibilities of a region head?

Bertaccini: First, I have to help establish and translate AIS strategy, tactics, goals, and objectives into workable plans that allow us to market professionally. Second, I am responsible for assuring that we develop and implement a market program and an operational plan that will allow us to meet or exceed each of our business objectives. Third, I am responsible for building spirit, if you will — making our values and our business goals work for the region through personal example and through implementing the right programs and plans. Finally, I must be actively involved in supporting the sales process through interaction with our key customers.

Focus: You're well known for your customer involvement. Do you expect that to increase in '83?

Bertaccini: Absolutely. In fact, much of my time in the first part of this year will be taken up with individual accounts and customers, communicating our strategies and plans, our new product directions, our new abilities to help our customers. I look forward to it.

Focus: How would you describe the economic outlook this year for the region? What will the marketplace be like?



every man and woman in our new organization. Also, we've planned communications forums at the branch, area, and regional levels. I have now met with all members of our management team. And I'm now attending each of our area kickoff meetings so that by mid-February I will have met every person in our region. In this whole process, we're

of months. Our purpose was to establish a regular forum for communication directly between the region vice president and representatives of the line sales teams. It has allowed many issues to be surfaced and has clearly been a valuable tool for both the council and region management. We've had many frank dialogues on key issues

Bertaccini: For some time now it's been difficult to predict the direction that the economy will take. Even in a tough economic climate, though, we have plenty of room for business success. We're in an explosively growing industry. The real question is not the size of the opportunity — for clearly the opportunity is there — but how skillfully and aggressively we pursue that opportunity. Looking at economic predictions may not be as important as answering the following three questions: will we do the right things? are we up to the task at hand? will we seize the opportunities? My answer to all three questions is an absolute yes.

Focus: American Bell's expanded capitalization plan predicted a very rapid achievement of a positive cash flow for AIS. How are you working toward profitability regionally?

Bertaccini: First of all, it's clear that the ultimate measure of success for AIS has to be its bottom line contribution to the business — its profitability. From that perspective, everyone from top to bottom has to help achieve a proper balance between expenses and revenues. As we build our revenue stream, we must also be increasingly aggressive in eliminating all unnecessary costs that we find in our new organization.

For example, as we build territories and allocate resources, the return we expect must justify the commitment of an AE and a support team. We must consider profitability as well as market strategy and tactics. We must make sound business decisions at every level of the organization, and especially at the branch management level. That's where a large part of the enterprise's profitability will be decided. The sum of each AE's

success will be the success of the corporation. It's that clear.

Focus: From individual success, let's move to individual motivation. What do you see as the most important motivators of a professional sales force?

Bertaccini: Salespeople are a unique breed, as you know. I think personal recognition is one of the strongest motivators of salespeople. It can be as personal as a

with the obvious monetary rewards it implies is a very important motivator for sales professionals.

Focus: Last year there were changes made in many people's objectives. Will this year's compensation program make that less likely?

Bertaccini: Yes, we had to change objectives last year, and, yes, some people's expectations may have been fractured a bit. Keep in mind that for many of us, 1982 was the



thank you, or as global as being named president of the Council of Leaders. But it's very important. Then there's the inner motivation, of course. The knowledge that you put your best efforts into whatever you undertook — that you reached for excellence and found it in the act of reaching for it. And, of course, an appropriate compensation plan

first or second year of managing in an incentive compensation environment. I think this year's plan improves the program substantially, and I think we've matured considerably in our ability to handle incentive-driven compensation. Part of last year's problem was communication, not compensation. When we raised quotas, some

people concluded that we were trying to reduce earnings. That was not our intent. We had to strike a proper balance between individual production and compensation. A lot of people assumed that the compensation plan as we introduced it was absolute. There's nothing wrong with that if every part of the process had the proper balance. If every quota was set correctly, and every judgement was made uniformly and properly. But

A Vast California Market

Focus: Do you anticipate an increase in the region's workforce in the next two years?

Bertaccini: Yes, particularly in California. It's only been in the last two years that we've added significant resources in the California market. The entire West Coast will be a growth market in the '80s. There will be plenty of room for more people, and plenty of

see that their roles have changed in '83?

Bertaccini: There has been some confusion in the past about what an administrative employee did versus a technical or pure sales employee. In our new environment, there's a much clearer definition of the administrative job family. And administration in the branch office is a key part of the branch's success as a business enterprise, both in terms of supporting the sales effort and in running the branch's business operations.

Focus: One last question. What do you see as the road to success for your region this year?

Bertaccini: I think we really have a lot going for us. First, we have the strategies, we have the business plans, we have the products, we have the organizational structure, and we have the people. I think that the timing is perfect for both the region and the company. I believe we've brought together an incredibly talented group of people — a group of people who will clearly establish themselves as the greatest sales organization in American business.

We've already begun to build our revenue stream. Over the next six months, our customers will see an organization that exists for *them*. During the year, we'll mature — fixing a problem here, patching a few places there so we'll operate efficiently and profitably. As a result, I think we'll exceed all our business objectives — revenues, unit sales, expense levels, customer confidence, individual development . . .

Focus: But if you had to name one most important factor . . .

Bertaccini: An absolute focus on meeting individual customer needs will be what determines our level of success.



we have to achieve a balance between the principles of the plan, the needs of the corporation, and the contribution of each individual. Those balancing factors must happen continually in managing compensation. That's the maturing process we're going through now, moving from a world of absolutes to a more realistic, dynamic one.

opportunities for career development for salespeople. In fact, if I were looking to start a career in the high-technology game today, I couldn't imagine another company that I'd want to work for besides American Bell.

Focus: When you talk about salespeople, you're including administrative people, too. How do you

The Most Exciting Days of Your Life

The Great Lakes Region. Detroit. Toledo. Cleveland. Milwaukee. Michigan: where the recession looks suspiciously like a depression. The auto makers just beginning to dig out.

When this writer flew into Detroit last November to cover for *Focus* the Great Lakes Region Council of Leaders meeting, the signs and symbols were apropos: radio air time that had once been devoted to designer-jean ads was now devoted to telling listeners how to pay their utility bills on time. And then it began to snow. A metaphor for a whole region that is digging out?

When I got to the meeting, however, I had a few surprises. Instead of brooding faces and hushed tones, I saw excited faces — and I heard the sounds of success.

Here were account executives who had spent the last year working against the odds in an area where industry is slumping and tariffs are relatively high. But the mood was buoyant and confident. Then I found out why. Regional Vice President — Business Sales Operations Bernie Sergesketter explained it all to me with three very big words: Dimension, Horizon and Data.

Through October, year-to-date percentage attainment of objectives for the Great Lakes Region were remarkable.

838 *Dimension*® PBXs sold:
112 percent
3,623 *Horizon*® communication systems sold: 96 percent
10,894 terminals and modems sold:
109 percent

That was when I realized that my story was not going to be about manning the pumps; it *had* to be about stoking the furnace — and sailing straight into the waves — at full speed ahead.

And from the beginning — a Q and A with Bob Casale — to the end — a

The council meeting was presided over by two officers of the national Council, Director Mary Ann Simmons and Vice President Ann O'Beay, both of whom have been featured in previous *Focus* articles. Among the other attendees were:

Jean Burton
Nina Van Tiem
Brian Cartwright
Frank Rondi
Greg Brown
Judy Gonia
Kathy Zielinski
Jodie Schlichting
Kathryn Berry
Bob Goldenberg
Ron Huseman
Bob Hoefl
Mike Riddle (Branch Manager)



Mary Ann Simmons



Ann O'Beay

Q and A with three Great Lakes Region executives, the mood was thoughtful, concerned, and inquiring, as befitted the occasion. But above all, the mood — the conversation, the questions, and the answers — was ebullient. As if everyone was saying, "Yes, yes, 1982 has been a successful year . . . but we can't wait for 1983 — and American Bell."

It was, therefore, appropriate that the meeting began with a Q and A with Vice President — National Business Systems Bob Casale, who, because he was on vacation, spoke from his home in New Jersey. Among his comments:

On Products

. . . Yes, we will be offering equipment for sale in 1983. Our plans right now are focused on offering terminals for purchase and switches for lease. Our plans will be effected, however, on a product-by-product basis.

We will demonstrate to the marketplace that we, as leaders in the information movement world, have very, very extensive product plans and, in fact, products. All of our announcements will emphasize architectural flexibility, migration, and continued functionality and application to the customer.

In both voice and data, you will see much more integration of the product line, and a much more precise definition of what that is, and where it is leading us to . . .

On Pricing

. . . As you all know there are (before 1983) often significant price differences, jurisdiction by jurisdiction. Deviation between jurisdictions ranges, generally, between three percent and twelve or fifteen percent. There will be great reductions in high-side-jurisdiction prices. In some jurisdictions that currently have lower prices, you will see little change in prices.

by William Moore



Jim Croll, area vice president (left) and Bernie Sergesketter field questions from council members.

All in all, price changes will definitely be positive and the marketplace will respond to that. But our competition will also respond — and will probably come in under our prices. In our role as sales leaders, as providers of value-added services, we can expect that fact to continue . . .

On Expansion into Independent Territories

. . . Expansion into independent territories will most likely take place nationally, as opposed to being phased in. The positioning of our branches throughout the country will be a major factor. Another key will be the status of delivery and support; we are now trying to determine servicing provisions.

Currently, however, we have set no specific time frames for this expansion. But we also don't have any external constraints. When a customer in an independent territory requests our products and services, we must work closely with the independent telephone company that serves that area . . .

and it's a very complicated process . . .

On Today . . . And the Future

. . . I urge you to get ready for days that will be the most exciting of your professional lives. Make sure you bring your towels — there's

some sweating ahead. But I have no doubt that you're the right people at the right time for this adventure . . .

Another rewarding part of the council meeting came at the end, when Sergesketter, Vice President — Business Sales Joe Reed, and Area Vice President — Great Lakes East Jim Croll answered questions from council members. The questions were many and varied, the answers lively and pointed. What follows are just a few of the comments made in response to the council members' questions.

On Managing and Selling:

Sergesketter: The days of eighteen-month studies of what an ETN configuration should look like are over. By the time you finish that kind of study the data are obsolete. It's wasteful and unproductive. There may, somewhere, in some corner, be someone still doing that kind of job — but not in the Great Lakes Region.

Croll: In a region that included six BOCs, we will have a staff of about seventy-five people.



Members of the council represented a cross section of the region.

Reed: It used to be that support expertise was a staff function; now it is part and parcel of each branch.

Sergesketter: I consider that each branch manager will be like the president of a small company. Within a certain framework — customer focus, professionalism, ethics, and budget — he or she may do anything necessary to manage that small company toward greater revenue.

Croll: We have to quit thinking about "practices" and "rules" first. They have their place, but creativity and innovation are the new watchwords.

Sergesketter: Radicalism — on behalf of the customer — is a virtue.

Reed: We all should hold ourselves — and everybody else — accountable for getting the job done.

Sergesketter: Dealing with your co-workers, remember three things: fairness, firmness, and friendliness. Do what you have to do to get things done. Go up, if necessary, then up again. And remember, there's a phone on my desk.

On American Bell and Our Customers

Reed: We have to stop thinking tariffs, and start thinking prices.

Sergesketter: We have the widest, most integrated product line in telecommunications systems — and you can expect new product announcements every six to eight weeks.

Croll: All customer bills will be sent from Orlando, Florida. And the billing process will be driven by credit authorization . . .

Sergesketter: . . . and by the amount of bad debt we are holding. We don't have the leverage to cut off dial tones for bad debt, any more; but remember, each customer is an individual situation.



Vice President-Business Sales Joe Reed

Reed: Our customers will be testing us early. And the earliest grades we receive will be on our service and technical support. That's absolutely critical from day one.

Reed: Every large corporation has a community focus; we will be no different.

Sergesketter: Like IBM, Xerox, and a host of large corporations, and like Bell always has been, we will be interested in charitable projects. And I hope that we, as individuals, will be active in our communities. Not only is our individual participation good for the company, but it is also good for us. As rewarding as our jobs are, it is important to view your community — and the world — from a variety of different perspectives. By doing this, we gain perspective on our own lives. I encourage all of you to give your time and your energy to whichever organization or charitable group you choose.



Discussion continued during coffee break.

American Carillon



Bernie Sergesketter

Between sessions of the regional Council of Leaders meeting, *Focus* caught up with Bernie Sergesketter, Regional Vice President — Business Sales Operations for the Great Lakes, and got his thoughts on such varied topics as the council, communications, American Bell, customers, and Nebraska.

Sergesketter began his Bell System career following graduation from Purdue University. Beginning in Indiana Bell sales, he had subsequent assignments with Long Lines and Bell Labs. During that period he attended the first class of

the Cooperstown program (1961). Next he moved to AT&T Treasury, where he eventually became Assistant Treasurer — Stock and Bonds. In 1968 he was named Illinois Bell Vice President — Business Marketing. He was named to his current position in 1981.

Sergesketter also contributes his time to a number of civic and community-spirited organizations. He is Vice Chairman of the Board of Directors of the Illinois State Chamber of Commerce and a board member of Youth Guidance. He is also involved with Boy's Hope and the Better Business Bureau of Chicago.

Focus: You are known to be a long-time advocate of the national Council of Leaders: what it means and what it can accomplish. What does it mean to you?

Sergesketter: First, of course, the Council means recognition for achievement — and motivation to be recognized. All of that is indispensable to a professional sales organization. But, to be really meaningful, the council must play a continuing role throughout the year.

Focus: What is the role of a regional council?

Sergesketter: It's threefold. First,

it's to *enhance* recognition and motivation; to keep the rewards of achievement constantly evident. By keeping council members visible throughout the year, we are creating role models in each branch. This makes people in the branches ask, "what is it about these people that makes them leaders?" Second, it's to enhance the growth of the individuals who are on our regional and area councils. I believe that just being on the council makes you a leader. What we try to do is give these leaders the kind of responsibility that will stimulate their growth and personal development. And third, it's to enhance communications.

Focus: Communications is one of *those* words. It seems to mean something different to everybody. In our organization we have formal communication, like *Focus*; structured communication, like business meetings; and the grapevine. How does the council, as a communications vehicle, fit in?

Sergesketter: The council closes the loop; it complements the other channels. It is, in fact, in many ways the most candid of all our communications. It reinforces those other channels and *should* help to determine their agendas. Communication isn't a job, an act that is done. It's on-going and needs constant feedback. Both council members and executives should use council meetings and discussions as sounding boards.

I believe council members need to talk to executives, which is why I try to include Q-and-A sessions in these meetings. During the sessions I try to be as open and honest as I can; everything I say is on the record. And if I don't know something I make it my business to find out and get back.

I need to talk to account executives, too, because no one

knows our customers better. They also give me a sense of how well I'm doing my job, and of how well we're communicating.

Focus: By the time this interview is published it will be 1983. What are your thoughts on the birth of American Bell?

Sergesketter: A measure of the depth of talent in our organization is the genius with which we have gone about the business of restructuring — and creating a flesh-and-blood company out of a paper one. For a long time, now, people have gone about this business as, appropriately, a day-to-day task. What we cannot forget, though, is that this work, this divestiture, has been the biggest in the history of world commerce. And yet it has been done by keeping an eye on the individual. For instance, eighty-five percent of the people in the various operating companies have gotten their personal preference in where they wanted to be: BRE or AIS. I know I'm *exactly* where I want to be.

Focus: What's this new company going to look like to our customers?

Sergesketter: They're going to see a company that keeps the best of Bell System traditions and mixes them with market-driven values.

They're going to see the leading information systems company in the world, one that is totally customer focused, one that will offer nationwide pricing and a nationwide organizational structure.

The biggest problem for information management customers has always been the fragmentation of information systems. Now they're going to see — and benefit from — totally integrated information systems. Backed by Western Electric and Bell Labs, AIS will be offering the world's finest and most comprehensive product line for integrated services.

They're going to see an organization whose service will continue to improve, and an organization that understands that customer participation is a large part of service improvement. *Dataphone*® II diagnostics, for instance, allow full customer participation and result in fewer outages and less downtime. Moreover, there's no question that customers who have the best service are those who are getting the highest feature function packages. To the degree that we don't show how various feature packages will benefit our customers, we are falling down, not just on our sales, but on our service.

Focus: this last fall *New York* magazine ran a series on the making of the new AT&T building on Madison Avenue in New York. In the first part of that series, an unnamed AT&T executive was quoted as writing Philip Johnson, the architect, that, among other things, the brightest people would not be found at Bell, and that our values are the values of, I believe he (or she) said, Nebraska, not New York or California. Any comments?

Sergesketter: (Laughs) Are you sure he still works for AT&T? Well, all I can say is he doesn't know the same people I know. These people here, at this council meeting could work anywhere they choose. The fact that they choose to work here is indicative of the great opportunities and challenges this organization offers. In fact, what company offers more?

And as for the second part, he was wrong again. We are not Nebraska. We are New York, California, Alabama, Michigan, *and* Nebraska. In this context, we are not a monolithic "Bell." We are a carillon: thousands of different people focusing on thousands of different customers in many different places and with many different needs. As we should be.

We Value Your Opinion

We haven't given you a page to tell us what's on your mind for quite a while. Now that we're part of the new AIS team, it's more important than ever that we cover the stories and events you want most.

Please take a minute and share your thoughts with us.

Would you like to see "more," "less," or "about the same" of these types of articles in Focus?

	More	Less	Same
1. "Casebooks" of successful sales:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Explanations of AIS programs, policies, and operations:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. "Sales Solutions" stories about aspects of selling:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. "People" stories featuring outstanding sales team members:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Executive interviews and viewpoints:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Articles on new technology:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Roundtable discussions with sales team members:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. What other types of stories would you like to see in Focus? (If you have a specific story idea, tell us about it. We'll do all the research and writing, and give you credit for your idea when the story is printed.)

9. Is there something you *don't* like about Focus? If so, tell us what and why. Your opinions —good and bad— are our most valuable resource.

Name _____ Title _____

Address _____ Phone _____

City & State _____ Zip _____

- You may publish my name
 You may not publish my name

We Deliver

January 18, 1983, New York City:
 "Back in mid-December," AIS President Arch McGill told the more than 100 reporters assembled at the World Trade Center, "I said we at AIS were champing at the bit to get going. That we couldn't wait to show the competitive marketplace what kind of company we were going to be . . . I'm here to announce that we're pulling the wraps off a dramatically new business system that combines all of the most vital communications and information management capabilities customers have been waiting for — asking for — demanding. A business system that integrates those capabilities in one dynamic package.

"Dimension® AIS™/System 85."

When it comes to managing time and moving information, it's all in the Dimension family's new System 85: voice, data, office, building, and network management. With a full spectrum of applications, from electronic messaging and simultaneous voice and data

transmission to electronic office and sensor-based energy and security management. And a new family of user-friendly voice and integrated voice/data terminals.

But the Dimension family's newest member does not make customers' existing Dimension systems obsolete. System 85's energy and security management packages, and a new office mail system will also be available on current Dimension systems.

According to AIS Group Vice President Bob Casale, "System 85 was developed to dovetail with Dimension, not to replace it. The compatibility of the product line gives our customers the ability to evolve toward more effective information management at their own pace."

"I can think of no better way to launch our new company," concluded McGill, "than with this dramatically new system."

