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Issues in International Expansion Among Manufacturing Companies

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Senior Honors Project

"Issues in International Expansion Among Manufacturing Companies"

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March 25th, 2000
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Abstract

The push in today's economy is to merge and expand globally to create powerful companies who do business in all parts of the world. Technological advances have reduced the large distance gaps and language barriers that once prevented global expansion. What is lacking, however, is the effectiveness of this expansion due to the poor planning of opening individual offices in foreign countries. It appears simple enough to start an office in another country, but the repercussions of poor planning can greatly effect a company's performance. One such company that has run into challenges is Flowserve, Ltd., who recently merged two separate companies to create a global powerhouse in the fluid management industry.

It expected problems to arise in certain regions of the world where the language barrier was evident. What it didn’t expect, though, were the differences and struggles of managing the United Kingdom region of the corporation. The situation that is about to be explored is the strategy to combat the differences of a company separated by not only an ocean, but by a common language.

There are 3 main areas that will be addressed in the study, with particular detail and focus on one area, technology. The bottom line is that the United Kingdom is significantly behind the United States in almost all aspects of technology and this is a serious problem for the employees in the UK who must interact with other employees and customers in all parts of the world. This becomes evident when a new policy was implemented initially in the UK, then in the USA. The differences are noted in detail on how the program was approached, implemented and received in each part of the world.

A look into the policy differences will also be addressed. The budget allotments for employees doing the same job differ vastly from the UK to the USA. Policies on dress code, personal use of company equipment and other details are handled and treated differently
between the two countries. The standards are raised and lowered for certain areas with no protocol set for the company as a whole.

The third area in the study of global expansion pertains to the difficulties when dealing with multiple daily customs and culture. The work environment greatly differs from place to place and this can cause an interference for employees who have been transferred out of their home country. The work environment and culture also pose a problem in international dealings when many sides of the company must meet with customers to do business. Insults can be delivered without knowing it and miscommunications are inevitable.

So, how does a company combat all of these differences caused by global expansion? Flowserve has decided to address the issues by appointing a VP of Investor Relations and Corporate Communication or as the British call her, the VP of Teaching the British English. She deals with all the problems of a merger between international companies and is in charge of teaching all employees in the company the customs, culture and language of the locations of each office and customer location. She also is over the streamlining process of combining procedures and setting protocol for a smooth transition into an effective company.

Flowserve is not alone in its difficulties in creating a prosperous global company. The conclusions of this study indicate a strong need for a complete analysis before an expansion or merger takes place in order to lessen the impact of multiculturalism. The impact of varied procedures and policies have a significant effect on the company, its employees and customer relationships. Until a global company addresses these issues, it will merely be a grouping of separate entities related through common practices, not a cohesive, profitable leader in the industry.
Introduction

Flowserve, Ltd. marks itself as "the world’s premier provider of industrial flow management service" and is an international company that deals in the fluid flow control product line. There are three main sections of the company that include the Pump or Rotating Equipment Division (RED), Valves or Flow Control Division (FCD) and the Seals or Flow Solution Division (FSD). These three divisions of the company work together to produce and manage an overall product of fluid control for customers all over the world ranging in industries from petroleum in the Middle East, to nuclear power plants, to chemicals in the States. Flowserve, Ltd. supplies pumps, valves and mechanical seals to such companies as Dupont, Eastman, Sea World and many others (Flowserve).

The Flowserve Corporation was created in 1997 through a true merger of equals between BW/IP, Inc. and Durco International, Inc. BW/IP was a worldwide supplier of advance-technology fluid transfer and control equipment, systems and services. Operating in 20 countries, the company produced highly engineered pumps and pumping equipment, precision mechanical seals, seal systems and accessories. Durco International was engaged in the design, manufacture and marketing of fluid handling equipment, primarily pumps, valves, control valves and mechanical seals, for the global process industry. Together the combined companies became a diversified, global company capable of serving all the flow management needs of its customers. The merger also brought along a balance in world trade. With Durco International originally headquartered in Dayton, OH and the bulk of its clients in the States (58%), and only a fraction in Europe and the Middle East (20%) and in the Pacific Rim (13%), it complimented BW/IP’s clientele base. The original headquarters of BW/IP was in Long Beach, CA and the breakdown of its clients were 35% in the States, 33% in Europe and the Middle East and 16% in the Pacific Rim. The merger produced a more balanced spread of
clients to all areas. After the merger a compromise was made with the new headquarters being located in Dallas, TX. The merger of the 2 companies was a very expansive overtaking since there were so many product lines and variations. The company is continuing in its quest to streamline and standardize its policies and training procedures and has spent hundreds of thousands of dollars trying to create a cohesive group of employees that understands both ends of the industry.

Tremendous amounts of money have also been spent bridging the gaps of culture and customs through week-long gatherings at headquarters for all upper-level employees. Sessions went all day long ranging from business procedures, to etiquette, to team building. All of this was a kick-off effort to make the transition smoother and face the problems that were expected to arise before they got too large.

While this preparation was very well-planned and detailed, problems were bound to arise from a merger of such large proportion. Employees were shuffling job titles and descriptions in addition to office location. Many people were brought over to the United States and many were sent abroad to help out the new sales offices and factories.

Expansion of manufacturing companies, Flowserve in particular, is occurring at phenomenal rates in today's business world. Many companies are not researching or taking precautions beforehand and the result is a poor quality operation being run in various parts of the world. The focus of this project is the expansion of companies in the United States to England and the difficulties encountered in the process. The main problems that are evident are issues in technology, internal company procedures, unequal standards and daily customs differences between the two countries. With a detailed focus on Flowserve's problems and solutions, this project hopes to inform future companies of potential problems in global expansion and how to combat them before they become detrimental issues.
Many companies have tried to standardize global practices by simply exporting domestic products and processes without accommodation and have failed tremendously. The main faults can be attributed to a lack of research and preparation (Levitt 58).

By benchmarking Flowserve's efforts to reduce discrepancies among corporate policy in the different offices, other companies can follow its lead to achieve prosperity and efficiency in overseas operations. Awareness of the problem is the first major stumbling block to overcome in the fight to create international prosperity, and this study will serve as a valuable tool in bringing attention to the problem. Flowserve's efforts and experiences in this area were closely monitored and detailed through first-hand work experience in both the London, England and Dayton, Ohio sales offices. Also, the implementation of a new project created to streamline one aspect of the inefficient expansion was conducted in each country and the results are included. This comprehensive analysis of global expansion issues at Flowserve will set the standard for future companies looking to enter international arena.
Analysis

The analysis of the issues will all be specifically limited to Flowserve and the two separate companies that formed Flowserve, BW/IP and Duriron. The first-hand observations, interviews and company literature will be the primary sources for analysis. An analysis of other companies that Flowserve benchmarked from will also be used as guidance for overcoming the problems of global expansion.

General Cultural Differences in Work Environment

One of the biggest differences in the company from the UK to the USA operation is the daily customs and cultures of the workplace. In a basic sense, it can be generalized that the UK is significantly behind the USA in its standards and practices.

United Kingdom offices for Flowserve are still predominantly male, with female secretaries that hold the office together. The particular office that was studied in depth in the UK was the London office, and it consisted of one Regional Manager, 15 sales engineers and 2 secretaries. The only 2 females in the group were the 2 secretaries. This is a very common scene in offices throughout Europe, where women have not emerged at the technical level. This gender make-up makes it very disheartening to any female in the company who may have been forced to relocate after the merger. Women are not treated with equal respect for their knowledge and are assumed to be inferior in their skills.

The term “politically correct” has also not had an impact on the UK like it has in the USA. “Salesmen” is the correct term in Europe for Flowserve and is printed in several company documents and manuals (Flowserve). Almost any term in the America that has been transferred to “-person” still remains ending in “-man”.

It is not looked down upon to not use the appropriate nationality/ethnicity terms in the UK either. Racial slurs are quite common and there is no effort to move to a more politically correct terminology. In the London office, though, this was not a problem because no one outwardly appeared to act offended. It is still acceptable to use the terms that were used years ago in the States. This is also a situation where tensions may arise if a European employee was transferred to the USA or vice versa. The European would speak in terminology he was accustomed to and the offices in the States would not tolerate it, or the American coming over to the UK could be very offended. This can also be carried on to the customers where it could have a detrimental effect on contracts and relationships. After the merger, salespeople changed customers, picked up new ones and gave old ones over to different salespeople. By not knowing the customs of the new customers, the salesperson could offend them greatly.

Many errors in judgement occur in foreign markets that hamper the success of doing business overseas. Edward T. Hall remarks that there are five key elements to understanding foreign cultures in order to working harmoniously within them. These elements include time, space, material possessions, friendship patterns and business agreements and each of these revolves around the central theme of language—spoken or unspoken (Hall R182). Flowserve must combat the language differences and inform its employees on the correct procedures of handling business in foreign territories in order to achieve global superiority.

Along the politically correct lines and gender, it is not uncommon to find calendars, screen savers, etc. of female models in little or no clothing. This probably has a lot to do with the fact that there are very few female professionals in the UK operation. These types of displays would not be tolerated in the offices in the USA and are very rarely seen. If a customer from different culture were to enter the office and found these displays
inappropriate, then the business at hand would certainly be lost and the threat of losing the
customer would become a reality.

Another difference is in the work environment of the UK versus the USA is in the
overall attitude towards the work day. In the States, it is standard practice to work 8-10
hours a day and only take a 1/2 hour lunch. Employees can choose their start time and end
time, to an extent, to accommodate personal time constraints, as long they are present for the
core hours of the day defined as 9 AM - 3 PM. In the UK, the work day begins at 8:30 AM
and ends at 5:00 PM, regardless. Employees often come in early or stay late, but they must be
there in between those hours. Lunch in the UK is one hour, with it lasting as long as 1 1/2
hours. Therefore, the regulation work day is 7.5 hours and lunch can occupy anytime from
noon until 2 PM. This difference is not only in the amount of hours worked, but also in the
pace and attitude in which they are worked. In general, the pace of the UK is slower and
more laid back than that of the States. In the USA, people work excessively and very hard
with little social interaction. The offices in the UK for Flowserve are light-hearted and unless
the job at hand is an emergency, breaks for smoking, tea and coffee are frequent and the
environment is more casual (Hornblow).

Not all policies are more lenient in the UK. One policy that differs greatly between the
USA and the UK is the dress code. Flowserve's dress code in the US is business casual, with
jeans even allowed in certain offices. Over in the UK, the dress code is suit and tie with no
"Dress Down Fridays". For the women in England, hose, heals and a suit or skirt is the
normal for the winter, with slacks accepted, but looked down upon. In the warmer weather
women are allowed to wear open toe shoes with no hose, but that is as casual as is normally
accepted. This reflects on the demeanor of doing business in both countries. The UK, while
more laid back in inter-office relations and policies, is much more formal in business to
business matters than in the States. In the US deals are often closed outside of the work place with a beer and a football game or on the golf course. The majority of the deals in the UK are still settled in the office, either face-to-face, over the phone or with a fax (Hornblow).

Most of these differences in the practices and policies are purely cultural and do not reflect on this company imperticularly and probably would occur in most other global companies. Some of the standards, however, need to be made equal for everyone in the company, regardless of the location of the office. Dress code should be uniform for all employees, as should the core working hours. The use of personal space to display distasteful items also needs to be addresses internationally, as does the language of the employees regarding offensive words, etc.

Double Standards in the Company

After working in an office in both London and Ohio for Flowserve, Ltd and interviewing several employees who have worked throughout the world with Flowserve, a large amount of information was collected on the double standards of Flowserve's policies. These policies that will be addressed do not have anything to do with custom or culture of the country at hand, but directly in company regulations. This is where Flowserve is experiencing the biggest difficulty in creating a harmonious corporation across an ocean. With different treatment being given for employees in the US and in the UK, the company can not function as one cohesive unit. Until the company can settle internal differences, it cannot perform to optimization with its customers.

The employees in the UK operation are about 1 year behind with technology than their counterparts in the States. The engineers in the States have access to state of the art computers with all the necessary programs. Many engineers in the UK are still waiting to
receive a computer that can operate not only the basics, but are capable of Internet and Intranet connections. The Intranet is greatly used by this company for day-to-day business and in the States the modems are fast and the connection is available from virtually every desk in any given office. The server is well maintained and the IT departments are well-staffed and trained. For those employees who do have a modem in the London office, the connections are often delayed and slow. There is one main IT help desk, located in Holland along with the main server for all of Europe. The server is constantly "going down" and holding up all business transactions for day. The response to individual computer problems is slow and the employee is often left with no computer for some period of time (Hornblow).

Flowserve has tried to improve its technology dilemma by making sure each new computer purchased is the latest version and that all old computers are upgraded to the highest level possible, but this takes time to make sure everyone is functioning at a minimum level.

Another double standard that exists within the company is in the policy of use of personal equipment. The salespeople in America are allowed to use company owned cellular telephone and computers for personal use. The strict observation of salespeople in the United Kingdom does not allow this practice. It is unfair to allow two employees with equal stature within the company separate privileges according to where they are physically located.

Many of Flowserve's differences among offices actually reflect the accommodation of multinational corporations as to what they believe are fixed local preferences. Flowserve, as do many other companies, believe preferences are fixed, not because they are but because of rigid habits of thinking about what actually is (Levitt 58). This notion further creates the double standard within the company. The new line of thinking needs to stem from the corporate headquarters with no preconceived notions. This idea of equidistance of perspective can create an effective global operation (Ohmae 152).
Technological Barriers of Global Expansion

The final and largest area of concern for Flowserve's global expansion project is the technology barrier. Technology drives companies to prosperity and leads to obtaining the edge in the global market (Levitt 61). Without equal access to all areas of technology, a company can never achieve success in each target market.

The United Kingdom, while having access to current technology, does not use the cutting-edge technology to its fullest. The offices in London were significantly behind their counterparts in the US in terms of computers, printers, fax machines, etc. The company expects that the same job be completed at the same calibre, speed and precision in each of its offices, but neglects to give the same tools to each employee (Hornblow). It is irrational to think that the salespeople can work effectively in the UK without functional computers and other technological equipment.

Since the merger in 1997, Flowserve has not only experienced problems in creating a cohesive unit between offices in the USA, UK and Europe and the Middle East, but they have also experienced problems in creating a cohesive unit between former BW/IP offices and Duriron offices. The two companies were in the same industry, fluid management, but had very different product lines and only overlapped in a few areas of the seal division.

With the merger of the two entities into one, a merger of jobs and a consolidation of duties for employees occurred. For the majority of the company, it was not a problem to add another product line to the one it was currently dealing with. The factories would keep creating the same products and the management would be thinned out to eliminate "double jobs". For the salespeople, however, the new product lines would cause problems.
Not only were the salespeople responsible for knowing every detail of their current sales area, but they would now be faced with an entire new product line. In the valve and seal division this was not as much of a problem as in the pump division. The valves and seals that BW/IP and Duriron had produced were both standardized items from a factory. It was simply a matter of learning the applications of each kind and style. Getting an order for Duriron pumps is a simple process of filling in an order form or phoning up the office. A salesperson does not spend much time in contact with its customers and has many customers. Appointments with each are limited.

Pumps, however, are a more complex piece of equipment to manufacture and sell. Duriron’s pump line was a standard production line with little or no deviations from the original. The applications that these pumps are used for are standard across all industries and the sales techniques were fairly direct and straightforward. The pumps that BW/IP manufacturers are special application pumps that are engineered for the specific use. Orders for BW/IP pumps take months to complete. Design specifications are entered along with lots of other data to create a pump for the job. The pumps are more expensive than the Duriron pumps, but less volume is sold. A salesperson spends considerable amounts of time with a single customer establishing a relationship, making numerous appointments and getting the order. Therefore, a BW/IP salesperson has fewer customers than the average Duriron salesperson (Hornblow).

Flowserve handles and provides services for customers who want either pump or both. The salespeople have to be able to sell each type of pump effectively to keep business. One fear that the company has is that the salespeople will lose customers, not because of their lack of knowledge of the product, but because of their lack of sales ability.
Preventative measures were taken to help curb this problem through seminars on how to sell each product line and pump type, but a real fear still existed in the salespeople not giving enough attention or smothering a customer with too much attention. The BW/IP sales force needed to learn how to take on more customers, spending less time with each and the Duriron sales force needed to take on fewer customers, but develop deeper relationships with the ones they still had.

To check up on the progress of the new sales force, some sort of procedure needed to be followed to track customer attention and appointments. Flowserve had no standard policy for tracking call coverage and it became clear that one needed to be created and implemented in order for the company to keep good customer relations and business.

Call Coverage

Since there was no standard practice for the procedure, a thorough study into the most cost-effective and plausible solution needed to be conducted. Research was done on current policies of individual offices, budgets to accommodate the new procedure, technology of all the offices all over the world and the time constraints of those who would be involved in the new program. A Call Coverage Plan PowerPoint presentation is what was delivered to Regional Managers in the UK and posted to all Regional Managers worldwide via the intranet to view. Please refer to Appendix A to see the presentation. This presentation outlined the research and suggestions as to which system would benefit the company the most. The final conclusions that were agreed upon were to go forward with the program that involved using Microsoft Outlook and Excel. This policy is the most efficient in several categories including cost-effectiveness, availability to all users in the technology area and time commitment of its users.
Once approval was granted, the details of the procedure were sorted out and the implementation process began. The London office was used as the test site and the Call Coverage Plan spent a few months in its infancy stage here so that all the problems could be worked through. Each employee was mandated to attend a half-day training seminar on the new program and was given a manual, too, to aid in the implementation process. This detailed manual can be found in Appendix B. Once the London office up and running with the new Call Coverage Tracking Procedure, it was introduced to all of the UK, then Europe and then finally off to the USA, where it is currently being implemented region by region.

The policy itself solves the company’s problem of the merger of two separate product lines and making sure it does not lose customers as a result. The implementation of this policy, though, is a perfect example of the further problems of the internal battles of a company separated by an ocean.

The implementation process in the UK went rather smoothly, partly due to the extensive time spent with the workers, and partly due to having the creator of the program personally assisting with the implementation and trouble-shooting. All salespeople quickly grasped the necessary concepts involved in the process and were using the new system within a week. All users had the available technology needed since the program was created in the United Kingdom’s offices. The process, though, did not go into effect with such ease in other parts of the world. The German office, for example, was not compatible with the software used and so a complete recreation of the program in another software package and language was necessary. This office took considerably more time in achieving success with the Call Coverage Program.

At the time of this project, only one sales office in the United States has implemented this program and the results of this process will be generalized to represent the entire country.
The system was simple enough to load on to every salesperson's computer, but needed to be upgraded to a higher version due to the fact that the American offices here have more advanced software. The program runs smoothly and is used readily, but many adaptations have been made to the program. These changes create a more complex, but easier to use system that can accomplish greatly more than the initial system. Had this program been created in the United States, these advances would have been directly designed into the system and made the system more user-friendly and helpful in the results it produces. However, it would not have been as easily transferred across the ocean because of the lack of the updated software and computers in the United Kingdom and Europe.

In either case minor problems would have occurred due to the technology differences among the equipment used in each of the offices across the world. The only way to combat this problem is to give equal access to all employees. This reflects the concept referred to in the "Double Standard" section of this project. To reiterate, the managers of the home offices in Dallas, Texas need to create an effective global operation and the only way to achieve this is to have "a genuine equidistance of perspective (Ohmae 152)."

Flowserve has decided to address all of these issues by appointing a Vice President of Investor Relations and Corporate Communication. She is in charge of creating a smooth transition into the international market. Some preventative measures were researched and used, but not nearly enough to combat all of the problems that have occurred. Her main duty is to fix the problems and streamline current processes in order to eliminate the redundancies of two companies becoming one. This appointment is a great way to inform all employees of new policies and the cultural adjustments of each office. She is a great resource for employees to contact when travelling, relocating or entertaining customers from foreign countries. The British employees sometimes are offended by her actions, though, due to teaching the correct
English terms in business. They jokingly refer to her as the "VP of teaching the British English", but do appreciate the work her office accomplishes in making the transition period run smoothly.

**Benchmarking**

Flowserve is not alone in its quest to create harmony across the ocean. There are a multitude of other companies who have expanded to other nations. In fact, nearly all leaders in industry are global companies. Each of these companies have experienced some parts of what Flowserve is undergoing and Flowserve has been able to learn from these previous mistakes and copy the tactics that have been very successful.

Wendy’s International is one such company who learned to adapt to thrive in the global market. Its global expansion included opening 75 new international restaurants to obtain a strong financial and economic long term hold. While Wendy’s is not a manufacturing firm, Flowserve can be likened to it because of Wendy’s need to blend in culturally to achieve success. Wendy’s dealt with many issues from name recognition and translation, to particular food items that would sell in different areas. The company was honest in describing some of its failed efforts due to lack of research of the particular area of expansion interest. These failures forced Wendy’s into a full-scale market research of each country. They also conducted environmental studies of the new areas. They soon adopted the idea that people may differ in specifics, but that they are universally similar in the important attributed of quality and service. Thus, after months of preparation, Wendy’s was ready to re-enter the global market, and the second time around they achieved great success (Hasson and Blackwell 482-494). This case reinforces the notion of researching the cultural and environmental differences thoroughly before expanding to another country.
Reebok International is another such case that explores the possibilities of becoming a global leader through international expansion. Reebok kept their current products virtually the same in the expansion, but changed its advertising scheme and placed a large emphasis on customer service within every marketplace. Reebok decided its best option was to operate within each country with local dealers and diverse distributors, creating a functional framework. This network created flexibility to make small changes world-wide (Anchor, et al. 402-405). Flowserve borrowed parts of Reebok’s philosophy by keeping all factories open world-wide and under each country’s discretion and management. The United States headquarters did not assume all control for each country, but rather let each office govern itself to a certain extent. This provided a sense of individual ownership and responsibility, which created a stronger manufacturing operation.

Nissan Motor Co., Ltd is the third corporation that had an excellent experience in global expansion. This case is different from the other two discussed in the fact that this is a non-American headquartered company. Nissan is based out of Japan and first expanded into Europe before expanding into the United States. Heavy regulations on exports from Japan to Europe hindered its expansion and so Nissan had to work much harder to overcome this obstacle. The key ingredient in its success was the research it employed in each country as to how to be considered a domestic automobile, thus eliminating the hindrance of the export rule. Nissan took a proactive approach in global expansion to penetrate foreign markets. It opened factories in each country and used that particular country’s suppliers to create automobiles that were atleast 80% country-specific (Ikeo 583-600). Flowserve learned from Nissan’s initiative in using local suppliers for its factories and mimicked this practice. Each factory is supplied from the closest dealer possible within reason. This practice creates a sense of
nationalism and return investment that makes the public welcome Flowserve into the community.

There are many other companies that have had great results in international expansion that Flowserve benchmarked off of and are continuing to study to look for improvements. By combining all of the useful concepts from other companies and correcting its own mistakes, Flowserve can be viewed as an on-going benchmarking process to become the ideal global manufacturer of industrial flow management products.
Conclusions

The general conclusion of this study is that any manufacturing company looking to expand internationally needs to set aside at least one year to research fully the effects of the employees, environment and the interaction between the two. Appointing a committee to oversee the process until completion is the key to creating global companies that prosper. Flowserve has shown some early preparation and much more after-merger problem solving, but has taken the necessary steps to ensure a cohesive operation in years to come. The problems in cultural differences and double standards within the company are what hurt Flowserve the most. With new training programs and an initiative from corporate headquarters to even out the assets among all offices worldwide, Flowserve is poised to take on huge success in years to come. The 1999 Annual Report projected a positive future with many more acquisitions. None as large as the merger between Duriron and BW/IP, but still just as significant in the company’s growth. The same tactics need to be employed with each new acquisition to make the transition period smoother.

International expansion is the one thing that virtually every company must undergo to become a leader in the industry. Flowserve’s efforts to correct the problems it did not prevent originally, along with comprehensive preventative training, make it one of the key benchmarks for other companies to look to when opening new facilities in foreign countries. Flowserve has not quite achieved the optimal global company, but it is hard to find any company that can separate itself from its home country and have true equidistance of perspective. Flowserve is one of the finest examples thriving in the manufacturing world today, though.
Appendix A

PowerPoint presentation on the possibilities of a new Sales Call Coverage Plan
The world's premier provider of industrial flow management services

Introducing...

Call Coverage Plan
OBJECTIVE

To find a method of tracking call coverage without introducing a time consuming system of form filing.

CURRENT SITUATION

- No protocol for tracking Call Coverage was practised by the BW/IP UK office before merger.
- No record of tracking Call Coverage was practised by the Durco UK office before merger.
- Many BW/IP Engineered salesmen are now having to sell Durco chemical pumps and need to be focused on a high percentage of time in front of customers.
AVAILABLE TOOLS

- Creating new form for filing, posting or faxing
- Expense sheets used
- Secretarial Support
- Manual diaries of salesmen
- Internet
- Intranet
- Microsoft tools (including Outlook and Excel)

CONCLUSIONS

- Creating new form for filing, posting or faxing - time consuming and bulky
- Expense sheets used - not current
- Secretarial Support - already overloaded
- Manual diaries of salesmen - not used by many
- Internet - now used by most everyone
- Intranet - now used by most everyone
- Microsoft tools (including Outlook and Excel) - available and used by everyone
**PROPOSED METHOD**

- Outlook Software - allows permission to be given to selected people to access the calendar and still maintain privacy for personal records.

- Excel Software - records and appointments from Outlook can be copied and pasted into Excel to create a report.

**HOW IT WORKS**

- Salesmen will enter appointments into the Calendar of Microsoft Outlook as they are made.
- One central administrator who has access to the salesman’s Outlook Calendar will enter his system.
- The administrator will copy all information out of the Call Coverage Plan category and paste in Excel.
- A monthly report will then be given to the Regional Manager.
STEPS IN SETTING UP
THE SYSTEM

- Create a custom 'Call Coverage Plan' entry page in Outlook
- Publish this form in the company's Public Folders
- Each salesman copies form and creates a 'Call Coverage Plan'
- Each salesman sets permissions in Outlook to allow the administrator to access his Calendar
- Salesman enters appointment using Call Coverage Plan form in Outlook
- Administrator accesses the salesman's calendar, copies the entries and pastes into Excel

RESULT

- A record of calls made is collected from a salesman with no other action required than entering the appointment in the calendar of Outlook.
- Sales Manager can have information on past and future sales calls at any time
- 'Live' information with minimum effort leaving maximum time available for calling
Appendix B

Detailed Sales Call Coverage manual for administrators and salespeople
Call Coverage Plan
For the U.K.
FLOWSERVE
Call Coverage Plan

Brief for Administrators

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Call Coverage Plan

Brief for Administrators

What is the Call Coverage Plan and why are we doing it?

The Call Coverage Plan is a program that was started to address the needs of tracking sales calls in a universal manner. There is currently no protocol for keeping track of which salesperson visits which customer and how often. The many various forms of tracking that are used by different offices in the company are often time consuming forms to fill out, fax it, etc. and are outdated by the time anything can be done with them. This program hopes to address this issue by making a protocol that is easy to use for everyone, quick and current. The result of a call coverage system will be a better informed company and greater customer relations resulting in more and better business.

The new program will utilise the Microsoft Outlook program that should be standard on everyone’s computer. All of your salespeople need to be hooked up to the network and using the Outlook program. The program is based on the Calendar aspect of Outlook and a sharing of information between salesperson and administrator.

The Role of the Administrator:

Your new job is to keep a diary of all the salespeople in your group and collect the information of all of their sales calls. This will be a simple and quick process to do monthly. The benefit of doing this over the Outlook system is that you will not have to be in contact with the salesperson to collect the data. You will be able to access all of your salespeople’s Outlooks Calendars from your own computer in your Outlook program. You will be responsible for making sure each of your salespeople enters their calls in their Outlook Calendar. You will also be responsible for creating a monthly report to pass on to the Regional Manager regarding all sales calls made for the month. This report will greatly aid in making sure all of our key customers are being seen enough and that the sales people are making the appropriate calls.

Included with your brief is the brief that was sent to all of the salespeople. This will explain what they are doing and how to set up the computer to run this program properly. Please read through it and set it up on your computer, too. Although you will not be entering any appointments for yourself, you will need to be familiar with using it in case you have to enter the appointments for the salespeople if they are not able to.
Creating a Report

The first step is to access the Call Coverage Plan in each salesperson's Outlook program. The salesperson has set the permissions to allow you to enter the Calendar portion of Outlook. In order to get into a particular salesperson's Outlook Calendar you will need to get into your Outlook system.

Accessing Other User's Calendars:

Click on File, then Open, then Other User's folder... In the box that appears type in the person's name it is you wish to enter.

You can also find the name by double clicking Name... and scrolling through the global address list until you find it.

In the Folder: box use the drop-down list and choose Calendar and then click OK.
Changing the Calendar View:

You should now be in the Calendar of the salesperson you selected. The next step is to set-up the Calendar in a format that you can use to make the report from. Click View, then Current View, then By Category. All of the categories that the salesperson uses will be listed under the Subject heading with the plus/minus sign by them. Expand the Call Coverage Plan Category and all the appointments that have been made by the salesperson should appear.
Adding and Customising Fields:

Next you will need to display the fields needed to generate the report. Go back to View, then Current View, and then Customise Current View. In the View Summary box click Fields.... The Show Fields box will appear and it is here that you select which fields you want visible and in what order.

The **Show these fields in this order** box on the right is what is currently being displayed in the Current View. By using

![Show Fields dialog box](image)

it is possible to customise the view to show the chosen fields. The fields that need to be shown are:

- Salesperson
- Salesperson Number
- Subject
- Person to Visit
- Reason to Visit
- Start

First **< Remove** all fields in the Show these fields in this order: box that are not listed above. To add the Subject and Start field, first click on the arrow next to the **Select available fields from:** and choose Frequently Used Fields and select it. In the Available fields: box a set of fields should appear that contains various fields. Click on Subject and then **Add >**. Repeat for Start. Now click the Select Available Fields from: arrow and scroll down until you find Call Coverage Plan and select it.
A different set of fields should appear above. Click on Salesperson and then Add>. Repeat this process until all six fields have been added to the Show fields in this order: box. These should now be the only fields in this box now. Arrange the order of the fields to the order listed above by using the Move Up and Move Down buttons. Once the fields are in the correct order click OK and then click OK in the View Summary box. The Calendar will now be shown with the specified fields across the top.

**Copying to Excel:**

In the Calendar listed by field, make sure that all fields are expanded to reveal all information in each cell. Click on the first Salesperson's name to highlight the entire row. Go to the last entry in the calendar and hold down the Shift key while clicking on the last Salesperson's name. The entire block of entries should be highlighted now. Go to the Edit Menu and click Copy. After copying all the information you can close out of the salesman's Calendar by clicking the X in the upper right corner.

The next step is to copy this information into the Excel spreadsheet sent to you as an attachment in the e-mail. Double click the Excel attachment and a screen similar to the one below will appear. Go to the File menu and select Save As. Choose the location in your C: drive where you will remember to find it. The most common spot is in My Documents, but wherever you save the majority of your documents is the best place to save this one too. Keep the name as Call Coverage Plan.

Now open up the Excel program from your Start menu or shortcut on your desktop and open the Call Coverage Plan file that you just saved onto your computer from the attachment sent via e-mail. It may already be open on your computer if you just saved it from the attachment. Click on the first cell directly below Salesperson Name and then click Edit and then Paste. All the data should appear on the spreadsheet. Make sure all the information matches the column headings and everything can be seen. If not, then adjust the column widths until all info appears. Also fill in the Activity period, which is the month for which the data has been collected.

Repeat this entire process of accessing a salesperson's Outlook Calendar, adjusting the View to get the appropriate information, copying all the information in the Call...
Coverage Plan Category and then pasting it into Excel for each salesperson in your group. Each time the information is pasted into Excel, the top title bar describing each column (i.e. Salesperson, Salesperson Number, Customer, etc.) will appear. You will need to delete this row for each salesperson so that only the appointments are shown.

After the last salesperson's information has been copied to the spreadsheet, you can adjust the order of the data through the Sort command. On the main tool bar click Data and then Sort. You may choose which category to sort by (Salesperson, Customer, Date, etc.) and then click OK. Save the file by clicking File, Save As and then change the name of the file to Call Coverage Month. This will allow you open up the original spreadsheet each month, with no data on it and also have a copy of each month's report. Print out the report and give it to your Regional Manager.

Adding an appointment into a salesperson's Calendar for them:

Access the Outlook Calendar by the process listed in the “Accessing Other User's Calendars”. Once inside the Calendar of the Salesperson click on the add new appointment icon

or click Actions, then New Appointment. Fill in the needed information on the form. In the first tab fill in the Subject (the company name which is being visited), Time and Date only. All of the other info will be filled in on the 2nd tab.
It is very important that you also select the category. Click on in the bottom left corner of the form and then select **Call Coverage Plan** and click OK.

In the 2nd tab, the Call Coverage Plan tab, the **salesperson name, number, person to visit and reason to visit** all need to be filled in. Several of the fields have a drop-down box to choose information from to speed up the process. You can also type in the information if what you need is not present in the drop-down boxes. Once everything is filled in click the **Save and Close** button on the top left corner of the appointment form. Check to make sure this appointment has registered in the Calendar in the Call Coverage Plan Category.

**Don't forget to select the Call Coverage Plan in the Category box on the first page!**
Other Concerns:

To begin this new project, a report will need to be created once a month and turned into the Regional Manager. Adjustments in frequency may be made once the system is up and running. The salespeople have been informed that you will be entering their Outlook system to copy information out of the Call Coverage Plan Calendar only. This will be the only section of an individual’s Outlook system that you may access, edit or read. Any violation of privacy will be dealt with accordingly. This system of tracking calls should run smoothly and eliminate unnecessary paperwork and time, thus making our company more efficient. Please voice your opinion on the new system and any improvements or suggestions you may have. Comments are always welcome and especially needed on a new project. If any problems arise in the technical aspect of running the new process, please contact Dave Hornblow in the Esher office (Dhornblow@flowserve.com).
Call Coverage Plan
For the U.K.

FLOWSERVE
# Call Coverage Plan

## Brief for Salespeople

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**FLOWSERVE**


Call Coverage Plan

Brief for Salespeople

What is the Call Coverage Plan and why are we doing it?

The Call Coverage Plan is a program that has been started to address the problem of a non-existent tracking policy for customer calls. This process will set protocol on how to track call coverage and will easily keep track of which customers each of our salespeople are visiting and how often. Currently, there is no organised universal tracking system and each office operates in a different manner. A system to make sure each customer is being seen enough by the salespeople will improve customer relations. By moving the Call Coverage Plan into a uniform system on Outlook, paperwork will decrease as will the time you spend on filling out forms, etc. This method will allow easy access by "administrators" to gather everyone's individual information and generate a report without bothering the salespeople.

Our new method will utilise the Microsoft Outlook program that should be on each person's computer. If your computer does not have Outlook on it, then immediately contact your supervisor to remedy the situation. The Call Coverage Plan will be managed through the Calendar aspect of the program in conjunction with the appointment forms. After the initial set-up of the program, the salesperson will have to do nothing more than record his or her appointments in the Calendar. If you are not currently using the Calendar aspect of your Outlook to schedule your day and keep your diary, then you will need to start. It will keep your day organised and it is easy and beneficial to use the Outlook Calendar.

What about my privacy in Outlook?

In order for this system to work you will have to give your permissions to allow your administrator to get into your Outlook Calendar. While this may seem like you are losing privacy, it is not true. The administrator will only have rights to access your Calendar. There will not be any access into your inbox or any of your mail and any other folders. In addition, there is the opportunity to make individual appointments private so that no one else can see them except you. Only the appointments that you make in the Call Coverage Plan can be accessed by your administrator. There will be one administrator for each office or area. Please see the memo as to who your specific administrator is. This person will periodically be accessing your Outlook Calendar, copying your Call Coverage info and compiling it in Excel for further reports. There should be no cause for worrying that the company will be able to see your mail or other personal and business information kept in the Outlook program.
Set-up:

The first part of the process is to standardise a few of the settings on your computer. The first setting to check is what time zone your computer is set on. You need to make sure your computer is in your respective time zone. To check this, click on your Start menu and then on Settings, Control Panel and then Date/Time.

Check the Time Zone tab and make sure it lists the one you are in.
Setting Permissions:

The next setting to adjust is the Permissions setting in Outlook. To change the permissions, first get into your Outlook program. In the folder branch statement click once on Calendar listed under your Outlook Today--Mail Box or click once on the Calendar icon on the left side of your screen.

Right click on Calendar and select Properties and then choose the Permissions tab at the top of the box.
Adding an Editor:

Click the Add button and select the name of your respective administrator by typing in the person's name in the box or scrolling through the global address list. Double click the name or single click the name and then click ADD -> and click OK. Next you need to select the Role. Highlight the person's name you just selected in the white box at the top of the screen. Use the Drop-Down box next to Roles: and choose Editor. Then click Apply and then OK. Now this person can view only your calendar and those appointments that you allow them to see.
Transferring the New Form from the Attachment to your Outlook:

The next step is to get the Call Coverage Plan form into your system and set as your default. Open the attachment in the e-mail. It should be a standard appointment form with an additional tab on it named “Call Coverage Plan”.

Click on Tools, then Forms, then Publish form as. In the Look In: drop-down box select Calendar. Type in the Display name: box “Call Coverage Plan” and click Publish. The appointment template is now saved in your folder.
Saving the New Form as your Default:

Get back into your Calendar properties by right-clicking on Calendar folder and selecting Properties. In the When posting to this folder, use: drop-down box you should see Call Coverage Plan. Select it and then click Apply and then OK.

Now each time you click the icon or select New Appointment from the Actions menu, this form will appear. To check that this occurs, click on the new appointment icon in the upper left hand of your screen and make sure an appointment form with a Call Coverage Plan tab appears. If not, you need to make sure that you have published to the form in the correct folder and that you are posting to the right form.
Using the form:

Each time you have made an appointment to see a customer you need to add it to your calendar. Simply click on the **new appointment** icon

or select **New Appointment** from the **Actions** menu and fill out both tabs on the form.
The first tab is the standard appointment form in which you must fill in the subject (Customer's Company name), date and time.

The 2\textsuperscript{nd} tab lists the details of the Call Coverage Program. You will need to fill in the Salesperson Name, Salesperson Number, and Person to Visit and Reason to Visit. A few of these have drop-down lists for your convenience so you don’t have to type in the information.

Don't forget to select the Call Coverage Plan in the Category box on the first page!

Once you have filled in all the required information and have selected Call Coverage Plan as your Category (See “Creating a New Category”), click
Creating a New Category:

In order for the administrator to access your calendar and get the needed information from it, a new category for all of the Call Coverage Plan appointments to go in needs to be used. The new category is the Call Coverage Plan category and it needs to be added to the list of current categories in the appointment form.

To create the new category you will need to open up a new appointment (making sure it is the new Call Coverage Plan form), single click on the first tab of the appointment form in the bottom left hand corner.

In the box that appears look for the box directly underneath Item(s) belong to these categories: Type in "Call Coverage Plan" and click Add to List. You should now see Call Coverage Plan in the series of choices below.

![Image of the Categories dialog box]

Each time you make a new appointment it is very important to put the appointment in the Call Coverage Plan category by clicking the categories button and selecting the Call Coverage Plan box and clicking OK. Only appointments made in the Call Coverage Plan can be used by the administrator to track your sales calls.
Other Concerns:

If you are making a personal appointment or any other appointment that doesn’t need to be tracked, then simply disregard the 2nd tab and use the standard appointment form (first tab) and choose a different category. If you don’t want the administrator to see the appointment in the calendar, then check the

Private ☐

box in the lower-right-hand corner of the form. This will show the appointment on your computer, but not on any other person’s.

This is all the set-up required. Now all you have to do is enter each appointment in your Outlook calendar in the Call Coverage Plan Category. Your administrator will periodically go in and copy your information and compile it. It will not alter your Outlook set-up or delete anything from your machine when the administrator collects the data. We feel that this will be the most efficient method of gathering sales calls information. Now that Outlook is available to everyone in the company it should be utilised to its full potential.

If you have any problems installing or using the Call Coverage Plan, please contact your administrator.
Bibliography


