

**MONITORING  
THE  
FIELD**

June  
1990  
Volume 34  
Number 6

# MTF

## Trimming the World's Largest Utility Bill

### JCI Shows How

**How is Johnson Controls reducing the U.S. deficit, improving the environment, and preserving national security? We're showing the world's largest energy-user—the federal government—the pressing need to pursue an aggressive energy conservation plan in its own buildings.**

**Energy conservation in government facilities will not only save money to help balance the budget, but will also cut down on air pollutants, protect natural resources, and decrease dependence on foreign oil.**

**And Johnson Controls is the only company in our industry to approach the federal government on how to resolve their energy conservation problems.**

**J**ohnson Controls hosted a reception on Capitol Hill May 15 for more than 100 U.S. congressmen, senators, and key leaders involved in defense, energy, and environmental protection, to discuss ways to curb energy use and operating costs in government facilities.

Johnson Controls executives were on hand to brief government officials on JCI's products and services, but the reception focused on a presentation given by JCI Government Markets Manager Doug Decker. In his address, Doug analyzed the government's current energy conservation efforts. He told the audience, "In researching the federal government's energy conservation program over the past decade, I was shocked. I expected to find some progress in reducing consumption and cutting costs, but I found none."

Doug reported that government investment in energy conservation retrofits and capital equipment significantly declined in the last ten years, while government energy consumption continues on a rapid upswing. In fact, the largest user of energy purchased by the government—the Department of Defense—deleted all energy conservation investments from their budget last year.

Doug echoed the concerns of many of our nation's leaders. "Energy conservation is now more important than ever. Two national priorities—shrinking the deficit and improving the environment—can be improved by curtailing government spending and reducing air-polluting emissions."

*Continued on page 2...*

...continued from front page.

**W**isconsin Congressman Les Aspin also spoke at the reception in support of JCI's position. He added that government energy conservation would make the U.S. less dependent on foreign oil. "Energy conservation is a preventative medicine for our energy security," said Aspin. "We haven't heard much about this as a political issue, but if we get hit with another energy crunch you can bet this will come back in spades."

## JCI's Recommendations

Doug proposed that the government aim to reduce its energy use by at least 20 percent by enforcing energy conservation laws and regulations, reviewing the budget process for both energy conservation and operations and maintenance projects, and establishing management goals and expectations. He also recommended that the government go beyond the low-bid when awarding contracts for facility management projects. "The low-bid mentality costs

the event will stimulate activity in the federal government market. "Branches should see more interest not only in energy conservation, but also in indoor air quality, lighting, and temperature and humidity control. The government is the largest landlord in the world and offers us enormous opportunity. We should cultivate both existing and new government customers."

Jim points out, however, that our motivation is more than opportunity for

*Field Operations Vice President and General Manager Jim Wilson delivered an overview of JCI technology and services at the reception. Here, he talks with Wisconsin Congressman Les Aspin.*



*Doug with Colorado Senator Tim Wirth. Wirth is Chairman of the Alliance to Save Energy.*

*ESU Vice President and General Manager Terry Weaver (left) was available for a technical demonstration of the Metasys product line. Doug Decker (right) highlights JCI's abilities to conserve energy and provide productive environments for Major General Joseph Ahearn, Deputy Chief of Staff of the U.S. Air Force.*



Doug pointed out that effective energy management is of strategic importance to the federal government and the nation. "It affects a number of issues and concerns that will escalate in the political arena in the months and years ahead. The federal government has the opportunity today to set an example by reducing energy use and saving dollars. We want to work together in an industry/government alliance to make the federal government an outstanding model of energy conservation."

the government hundreds of millions of dollars in both defective system acquisitions and unrealized energy savings," said Doug. "The government needs more than a low-bid mentality—the government needs performance."

## JCI's Role

Field Operations Vice President and General Manager Jim Wilson believes the Washington reception helped identify Johnson Controls as the leader in energy conservation. He predicts that

Johnson Controls. Says Jim, "We did have a vested interest in hosting the reception, but we're also very knowledgeable about conservation methods and have the technology to provide cost-effective solutions. All in all, helping the government improve its energy conservation program is simply good citizenship." ■

# The Waiting Is Over

## *New Awards Schedule Promotes Timely Recognition*

You worked hard, put in long hours, and the project was a success. You got some kudos at the time, along with some hearty pats on the back. But some time later—say, around Chairman's Award time—does anyone seem to remember? After moving on to other things, some good days, some bad days, and many other projects that followed, do even you remember?

Everyone should receive special recognition for exceptional performance. That's why our annual employee awards program is being reworked to salute outstanding endeavors in quality, service, and productivity closer to when they happen.

### How It Will Work

#### The Nomination Schedule

Beginning June 1, the Controls Group will present Merit Awards to employees on a quarterly basis. In other words, nomination deadlines for Merit Awards are now:

|                |             |
|----------------|-------------|
| First Quarter  | September 1 |
| Second Quarter | December 1  |
| Third Quarter  | March 1     |
| Fourth Quarter | June 1      |

Merit Award winners will be announced within four weeks of the nomination deadline. At the end of the fourth nomination quarter, the year's Merit Award winners will be considered for the company-wide Chairman's Award. Chairman's Award winners will continue to be announced once a year in August.

#### The Criteria

Nothing has changed here. All JCI employees except corporate officers and general managers are eligible to receive the awards. Nominations are still judged on contributions to customer satisfaction through improvements in quality, service, and productivity. Other considerations include:

- The scope and impact of the improvement to JCI products, services, and internal work processes.
- The amount of extra effort involved in light of the nominee's job description.
- Continuous exemplary performance.

#### The Review Process

This will also remain the same for the Controls Group:

**1.** Controls Group Vice President and General Manager Joe Lewis receives all nominations and narrows them down with the help of a Controls Group evaluation team.

**2.** After this initial selection, evaluation team members conduct interviews with the nominees' department heads and supervisors for more complete information on the nominees' accomplishments.

**3.** With this additional insight, Joe makes the final selection of Controls Group Merit Award winners.

**4.** Joe submits his list of Merit Award winners to corporate headquarters, along with his Chairman's Award recommendations. JCI President and Chief Executive Officer Jim Keyes and other corporate officers review all business unit recommendations to make final choices for Chairman's Award recipients.

#### Something Else That Hasn't Changed

You're still the best person to spot those deserving special recognition. The new award schedule will offer more timely "thank you's" to these employees, but only if you are timely about calling attention to them. When you see exceptional performance happen, please take a few minutes to show that it's appreciated by sending along a Chairman's Award nomination.

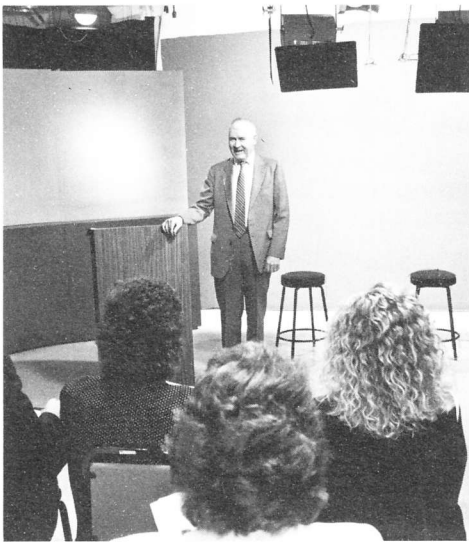
As always, nomination forms and procedures are available from your supervisor. And remember—the first deadline is September 1.

*\* Winners of the 1990 Merit and Chairman's Awards will be announced this August. They will be chosen from nominations received from June 2, 1989 through June 1, 1990.*

# THE WILD, WILD WORK PROCESS IMPROVEMENT

NATIONAL  
QUALITY EXPERT  
TELLS US HOW TO RIDE  
THE ROUGH TERRAIN

*If there was an East Coast John Wayne and the bad guy in the black hat he was dueling against was wasteful work, you'd have national quality expert and consultant Bill Conway. When he offers his straight-from-the-hip philosophy behind customer satisfaction, you can almost hear the Duke's drawl over Conway's Bostonese: "No customers, no orders, no jobs. It would make sense to pay attention to that customer, now wouldn't it?"...pilgrim.*



▲  
Bill Conway describes the new way to work as "continuous improvement of all work and work processes through quality to satisfy customers—forever."

**B**ill Conway put quality in the white hat during his 3 1/2-hour live broadcast to a general field audience on JCCN May 23. The presentation, "The Right Way to Improve Quality," covered material from Conway's popular work process improvement seminars that has been adopted by leading companies around the world.

Conway is the first outside consultant to address branch employees through the satellite network. John Donovan—head of JCI's internal customer satisfaction training for the last four years—says Conway was asked to appear because of his expertise in quality improvement and the appeal of his gritty style. "The thing about Conway is that he's done it himself. In his 40-year career he's managed sick companies, made dramatic improvements in quality and productivity, and turned them around. He doesn't get caught up in abstract theory about work process improvement—he dives right into specific examples and how-to's."

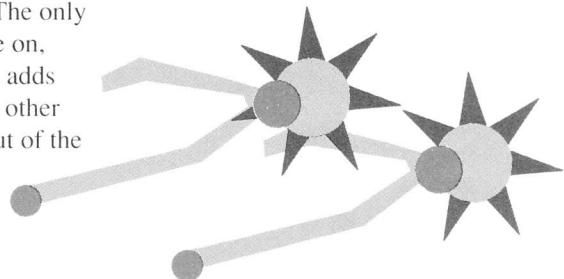
John points out that the satellite offered a cost-effective way to expose Conway's insights to a maximum number of JCI employees. "Conway is a busy guy—his seminars are often booked a year in advance," says John. "By broadcasting and videotaping the live presentation, people who may never have had the opportunity can, in essence, attend his seminar—though it's a very condensed version."

Conway's time on the air focused on what he calls the "new way to work." He described how to analyze work, eliminate wasteful work, improve necessary work, and monitor the work process for continuous improvement. The only work we should spend time on, Conway said, is that which adds value for the customer. All other activity should be wiped out of the picture.

Says John, "Conway's talk endorses the customer satisfaction concepts that we've concentrated on for several years. Work process improvement is often a long, slow process, and can be about as exciting as watching glacier races. Hopefully an expert like Bill Conway confirming our goals and reinforcing how to reach them will get our spirit rekindled."

Did it work? From JCCN's audience survey responses, it looks like the broadcast got you geared for some sharp shooting of your own. Here are some of the words you used:

- "It gave me the impetus and confidence I needed to believe that quality improvement can make an impact on profit."  
—Knoxville
- "There's an incredible power in understanding that it's possible to get the work process absolutely right. If we do, we almost preclude the possibility of error."  
—Baltimore
- "It didn't just tell me that I needed to eliminate waste. It gave me the insight as to how to do it."  
—Atlanta
- "I learned that the company is really committed to improvement and not just paying lip service."  
—Charlotte
- "It's not just for now. It's not just a trend. If we want to survive and succeed in business, we must implement work process improvements today and do so forever."  
—Toronto
- "Let's roll up our sleeves and get to it!"  
—Memphis ■





## Branch Efforts...

Regional managers shared insights and ideas stemming from their 1989 customer satisfaction efforts during the Fourth Annual Customer Satisfaction Improvement Plan Review last month. This is the first time regional customer satisfaction reports were delivered in an open forum, to take advantage of the opportunity to learn from each other. Xerox Corporate Director of Quality John Kelsch attended the review session to offer a third-party perspective on field customer satisfaction endeavors.

**What would you do for the opportunity to shave your boss's head?** Branches in the Southwest Region are working fast and furious to get their chance. At a branch managers meeting in November, Regional Manager Brian Stark posed the unusual challenge: if they exceed their 1990 sales goal, they get to shave his head. As an additional perk, they'll be able to script their dollar volume on Brian's bare cranium with a magic marker—in their choice of colors. "I'll walk out of the Dallas office completely bald and 'tattooed,'" Brian promises. "But I do get to keep the mustache."

The branches have their side of the bet, too. If they don't reach their goal, they agreed to contribute a set dollar amount to their local chapters of Brian's favorite charities.

Brian says that so far, things are looking good for the branches, but not so good for his head. He reports that with four months to go, they're moving in on their goal. The "cut off" date is September 30.



▲ Southwest Regional Manager Brian Stark puts his head on the line for his employees.

The Midwest Region is hosting three Energy Services training rollouts in Chicago, Milwaukee, and Minneapolis during the next two months. The sessions will focus on how to proactively apply the recently revised Energy Services Sales and Strategic Service Delivery tools to increase the volume of retrofit and multi-year service work. Attendees will also learn how the sales and delivery tools help implement branch marketing and sales plans and strategic vision.

## Miscellaneous...

Johnson Controls products and services will be displayed at two national trade shows in Las Vegas this month. The American Society of Hospital Engineering Annual Conference, scheduled for June 18 - 19, will feature Metasys with an integrated panel, Com/mander Maintenance Management, and the service van with equipment.

The Building Owners and Managers Association Trade Show, June 24 - 27, will spotlight the same equipment, along with Personal Environments. World Services will also have an informational exhibit of their facility operations and management systems.

To help branches interested in conducting their own work process improvement training sessions, facilitator's guides and visual support for the "Improving the Way We Work" program are being distributed to the field this month. The material covers step-by-step instruction on how to revamp daily work processes to positively affect response time and quality.

Johnson Controls played a major role in the U.S. Army Corps of Engineers annual meeting held last month. More than 50 Corps members from around the world were presented with an overview and hands-on demonstration of the Metasys product line. JCI also presented its new Corps of Engineers control panel, and reviewed its Karlsruhe, Germany "FND Protocol" project. Representing Johnson Controls were Government Markets Manager Doug Decker, Federal Systems Operations Manager Frank Greening, Defense Systems Manager Bill Meathe, ESU Vice President and General Manager Terry Weaver, and ESU Marketing Manager Jim Hadfield.

## Appointments...

Pete Wrenn has been promoted to Vice President of Business Delivery Systems.

Dick Gee has been promoted to Director of Business Development and Marketing.

John Tavares has been promoted to Director of Product Management and Marketing.

Dave Beaton has been appointed Branch Manager in Fort Wayne. Dave was formerly with the Fargo branch.

# How to Avoid the Tax Sting OUCH!

In the last four years, branches have been hit with more than \$3 million dollars in back taxes.

According to SSD Manager of Contract Accounting Elliott Erickson, most of the problems result when branches fail to pay sales tax on purchased materials and supplies. This happens when branches don't mark purchase orders as taxable when they should have been, or when vendors don't include sales tax on their invoices to branches. Often branches process these invoices as is, thinking they're getting a good deal. But when state tax auditors take a closer

look (usually about every three years), those "good deals" add up to an unpleasant surprise.

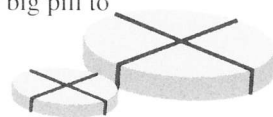
"If you automatically pass over invoices that don't include sales tax, you're going to get that big surprise eventually," cautions Elliott. "This year alone it's been to the tune of \$800 thousand—money that the branches undoubtedly had other plans for!"

The remedy? Elliott says the best thing to do is to simply estimate and pay for sales and use tax with every purchase order, except those for branch inventory. But he admits that this isn't always simple to do. "It's confusing—no doubt about it," says Elliott. "Branches in every state have different rules to follow about sales and use tax assessments. Rules also vary with specific situations." To understand how

to apply state rules, Elliott recommends consulting Division Procedures 3C 3050-04 and 3C 3290-12—the "sales and use tax matrix." Here's his advice:

- **When bidding and estimating a job,** refer to the sales and use tax matrix. This specifies how to estimate contracts and determine if purchases are taxable.
- **When purchasing material or billing a customer,** consult both the matrix and the accounts payable procedure. The procedure addresses tax coding requirements specific to each state.
- If you still have questions about sales and use tax estimates, call your regional financial manager.

Says Elliott, "It's really a matter of pay now or pay later. When you choose to pay later, it's an awfully big pill to swallow." ■



## Application Engineer HVAC Training

Branch application engineers were in Milwaukee May 7 - 25 for a three-week course on HVAC systems. Here, they sit still for a minute before starting lab practice in the Johnson Controls Mechanical Lab at the Milwaukee School of Engineering. Pictured in the fourth row, left to right: Jim Mueller, New York; Walter Bomhoff, Union; Tim Kohut, Detroit; Bob Deevers, Tulsa; Ken Styers, Buffalo; John Tate, Nashville; Dave Herrick, Rochester; Jim Peck, JCI Institute; Ron Vandermeer, JCI Institute; Doug Gollhofer, San Francisco; Cleve Kearson, Albany; and John Traber, JCI Institute. Third row: Randy Bachman, Rockford; Tuan Tu, Philadelphia; Paul Sing, Phoenix; Jim Sullivan, Union; Kelly Kalinski, Toronto; Doug Rule, Los Angeles; and Vu Pham, Charlotte. Second row: Wayne Guelto, Baton Rouge; Ronnie Kennedy, Albany; Richard Tate, Oklahoma City; Dan Williams, Pittsburgh; Jim Perisin, Chicago North; Thao Bui, Greensboro; and Samuel Sze, Hong Kong. First row: Mehran Mesbami, Los Angeles; Steve Hatheway, Tulsa; Michael Vitelli, Long Island; Richard Warner, Charleston; and Mike Wilson, Chicago.



MTF is published monthly for employees and retirees of the Field Operations Unit, SSD. Employees like:

San Diego branch employees, for their active support of the United Way. In the photo to your right, United Way's representative (right) presents Branch Manager Nabil Narghous and Branch Secretary Shirley Smith with a plaque as a token of appreciation for their efforts.

Readers may submit story ideas, news items, and comments to Fran Verito, MTF Publications Editor, P.O. Box 423, 507 East Michigan Street, Milwaukee, WI 53201.



JOHNSON  
CONTROLS

June 1990

## The Success of Call Tracking

by Gene Strehlow, Manager of TSG

The Technical Support Group (TSG) Call Tracking Data Base has reached 37,000 calls and is growing about 650 calls per week. Containing over a year's worth of activity, it is being addressed more often for trends, statistics and job histories. Here are some examples of how it has been used to benefit JCI:

The Call Tracking database provided the most asked Metasys questions addressed by the panel during the April 6th Satellite Broadcast.

Call Tracking confirmed in precise numbers how many calls TSG gets on valves - one in ten calls. Because of this, valves were the first to get attention in the new Cross Referencing System.

Call Tracking provided data on the magnitude of C500D static pressure control problems, and by correlating past calls with actual job names, TSG was able to contact specific branches to stop further frustration and wasted time until the right fix was found.

Not all uses are widespread issues like these. For instance:

- When a branch needed information on servicing an Andover system, TSG was able to reference an earlier caller who had experience with Andover and get the two together.
- When a Contractor called three different people in the same day with the same question, it was obvious that he was "shopping" for help/answers on a fire system. With the call tracking system TSG was able to quickly identify the problem and eliminate this communication channel.
- A Hot Line call regarding a mall project came to a Vice President who called TSG asking, "What's the history on this job so far?" Twenty-four earlier calls to 13 different people were documented to set the stage for the next step.

- Call Tracking allows a call to be easily transferred to another TSG expert, should the initial TSG contact person be on vacation or out of town. "Yes, Mike is on vacation this week, but I'm sure John can pull up the call and provide help until Mike returns."

The Technical Support Group stands behind our HELPLINE (ext. 4357) to provide help to you in the Branches. We are the backup for the front line support you provide to your customer. However, we are NOT a direct customer calling support group. When customers find their way to us, we try hard to refer them to you as their local support. This provides benefits and reduces the risk of future problems by:

- Strengthening branch/customer relations.
- Confirming the caller's status as a true customer.
- Reinforcing branch knowledge by keeping the branch in the communication chain.
- Reducing potential customer confusion because of different sounding answers from two sources.

If there is ever a need to have TSG in direct communications with the branch's customer, engineer, contractor, etc., we ask that a branch person place the call to TSG and take an active part in the conference call.

For all calls, our ability to respond quickly will be enhanced if you call **only HELP (ext. 4357)** rather than an individual TSG engineer and have the following basic information available when you call in:

- Your Name
- Your Branch
- Job Name
- System or Product Family
- Feature or Product
- A Brief Description of the HELP needed

Be specific. We need a little more than "HELP! It's Broke!" or "General Questions."

## TSG FAX Form

On the back of the Technical News Page this month is a FAX form which can be used by branch personnel to quickly and easily transmit diagrams, specifications, schematics and/or other messages to the Technical Support Group. This should be used when there is no need for an immediate response, but rather the question is one that needs documentation or exploration where time is not of the essence. We expect that this will be especially useful during off hours (5:00 p.m. to 7:00 a.m.). By using the FAX machine, your message will be waiting for the appropriate TSG engineer in the morning. It will be easy to include attachments to give the full picture.

Sometimes it's just easier to write or draw the problem, rather than describing it over the phone. If time is of the essence, but you need to illustrate the problem, send the FAX and then call TSG for discussion.

If you include all the information necessary, FAX information can be entered into the call tracking system to become part of the historical database (See "The Success of Call Tracking" above). In order to do that we will need to have the six essential items listed in the above article indicated on the FAX form. Your questions will be answered by a return phone call, a return FAX or documentation through the mail, whichever seems appropriate.

## Technical News Page

June 1990 No. 18

Published by the  
Technical  
Support  
Group  
Milwaukee (M14)

File in your branch  
Technical Tips

**FAN 941**

**Company Confidential**

## TSG FAX FORM

TO: \_\_\_\_\_ JOHNSON CONTROLS  
\_\_\_\_\_ 507 EAST MICHIGAN STREET  
MILWAUKEE, WISCONSIN

FROM: \_\_\_\_\_

Branch: \_\_\_\_\_

Phone Number (if not Branch Office): \_\_\_\_\_

Return FAX Number: \_\_\_\_\_

DATE SENT: \_\_\_\_\_ TIME SENT: \_\_\_\_\_

### REGARDING

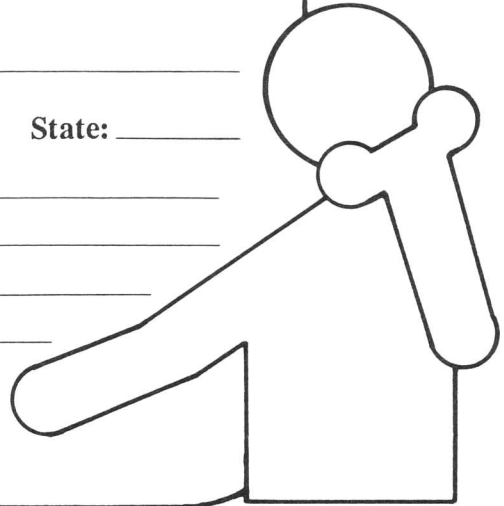
Company (Project) Name: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Subject (System Type, Part, etc.): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TSG FAX Number  
(414) 274-4120

TSG Voice Phone  
(414) 274-4357



Message (Brief Explanation of Problem):