

## **January 2010 Management Division e-Update**

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### **1. Looking Ahead Requires Looking Back**

Greetings, Management Division members, affiliates, and friends. We just completed our biennial Management Division Retreat, and the report from that meeting will be out soon. Attendees to the event ranged in experience from Nate Hurt, who served as President of ASME from 1991-92, to R. J. Gross, an undergraduate ME student from Drexel University on co-op assignment to National Instruments. One of the real values of this retreat was the opportunity to hear so many stories of the various experiences everyone had to relate—a real blend of old and new technologies, activities, and perspectives. Some of the most interesting of these stories were told in the more informal breaks between sessions, and especially during and after the dinner on Saturday evening, but that is another story altogether (it might surprise you to learn who joined the late night pub crawl...let's just say for now that engineers don't deserve their reputation as stodgy non-party-types).

I think the real lesson from the retreat was that a vision for the future must recognize and value the past. A clear view of what went before is necessary for avoiding flawed strategy and policy, but it counts for more than that. It isn't possible to lay out a strategic view for the future starting from undefined initial conditions. We need a historical sense of who our predecessors were, what they accomplished, and why, and how, in order to better serve current and future engineers.

Fortunately, Mr. Nate Hurt, President of ASME from 1991-92 and active member of the Management Division, has stepped up to the task of compiling a modern history of the Division. This is a daunting task, as the previous historical overview only took us to the late 1970's. Nate is the subject of our e-update interview, and I think you will find his remarks both reflective and thought-provoking. In his interview, he describes the early history of the Society as well as the Management Division, and he also points out gap areas where archival data is lacking. Perhaps some readers will recollect a key item or source, and relay that information to Nate. We hope that will be the case. You've got to know where you're coming from to know where you're going.

Nate will also highlight his historical research in a plenary session at the GEMC in April. I hope you can come and talk to him in person about his labor of love.

Happy 2010 to everyone!

Ted A. Aanstoos, PE  
Chair, Management Division, ASME  
taanstoos@me.utexas.edu

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## **2. Thoughts from the Past-Chair**

Dear Colleagues,

Happy New Year! I hope you enjoyed a very happy, healthy, and restful holiday season.

The Management Division has been quite busy the last several months. In November, the Executive Board met to chart the course for the final months leading up to the inaugural Global Engineering Management Conference (Up to date GEMC information: <http://www.asmeconferences.org/gemc10>).

The Executive Board met again for their semi-annual retreat over the Martin Luther King holiday weekend. Significant work was accomplished, including restructuring the Executive Board, reviewing and refining the annual plan and budget, and finalizing the GEMC program and marketing approach.

The Management Division is restructuring the Executive Board to attract more volunteers and opening new opportunities for members to get involved. Board positions will include: Chair, Vice Chair, Secretary, Treasurer, Programs, Website, GEMC Chair, Newsletter (eUpdate), Outreach, Honors & Awards, Early Career Liaison, and Sustainability Liaison. A new advisory committee of Past Chairs is also being organized and will be guided by the most recent past-Chair. This committee will be responsible for recommending nominees for each of the Executive Board positions.

I encourage you to please consider getting involved with the Management Division. We are seeking motivated volunteers who have innovative ideas and want to be a part of something great. Please contact me with your interest and any questions you have. Thank you for your time and consideration.

Best Wishes,  
Howard Berkof

Past-Chair, 2007-09  
ASME Management Division  
[berkofh@asme.org](mailto:berkofh@asme.org)  
585.259.5150

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### **3. Global Engineering Management Conference**

Tackling today's global management challenges!

Sunday, April 11 - Wednesday, April 14, 2010  
The Fairmont, Dallas, TX

Sign up today for Early Bird Registration!  
<http://www.asmeconferences.org/gemc10>

Developed by the ASME Management Division and refined by an Advisory Board of leaders in industry, the Global Engineering Management Conference (GEMC) will focus on knowledge transfer from best-in-class organizations and emphasize hands-on experiential learning. Attendees will benefit from unique insights into what engineering managers need to compete in an increasingly demanding global market place through a broad range of programming including:

\*Technical sessions focused on management approaches in today's economy. Critical subjects include, but are not limited to:

- Global Manufacturing & Management Challenges
- Crisis Management & Business Recovery
- Managing & Developing Engineers
- Supply Chain Management within the Global Market
- Managing Your Ecological Footprint in the Energy & Environmental Era

\*Continuing education unit (CEU) accreditation tutorials

\*Structured networking events

\*Tours include the new Dallas Cowboys football stadium and Texas Instrument's new green LEED facility

For further information and to register, please visit:  
[www.asmeconferences.org/gemc10](http://www.asmeconferences.org/gemc10)

Early Bird Registration! (on or before 2/12/10)  
\$495 ASME Member (Savings of \$200)

Venue  
The Fairmont, Dallas  
Dallas, Texas USA  
(214) 720-2020  
<http://www.fairmont.com/dallas>

Questions? Please contact: Howard Berkof at [berkofh@asme.org](mailto:berkofh@asme.org) or 585.259.5150.

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### **4. Interview with Mr. Nate Hurt, Past President, ASME**

**By Ted Aanstoos, Chair, Management Division**

Q: What was the historical origin of the Management Division (MD)?

A: The management Division got its start in 1920 as an official division, but as far as I'm concerned the MD without name was almost the Society from its formation in 1880. 16 of the first 25 presidents of ASME were entrepreneurs, mostly in manufacturing. The 25<sup>th</sup> president was the father of scientific management, Frederick Taylor. He was the first Society president not to be associated with a big company, but was rather a management consultant who wrote some of the famous early papers in management. He and others, including H. L. Gantt and H. R. Towne, recognized that engineers had something in common aside from mechanical aptitude, and that was management.

In July, 1920, Leon P. Alford, the editor of "Industrial Management", organized a conference to take steps to form a section on industrial engineering. A request was then submitted to the Council (the predecessor to the Board of Governors) for the formation of the Management Section (Industrial Engineering was deemed too narrow to indicate the scope of the new section). Leon Alford was elected first Chair of the newly created Management Section later in 1920.

Q: How long have you been a member of the MD?

A: I joined ASME 64 years ago, in the student section of the MD at the University of Colorado. I became a member of the Management Division in 1974. I closely followed the MD during numerous years in higher roles within ASME, including President from 1991-92. Now that I am a part time consultant, I have more free time to be involved with the Division, including the Global Engineering Management Conference.

Q: Can you mention some historical highlights of the MD after 1920?

A: The Division was successful in continuing the Gantt Award after the American Management Association dropped their involvement. MD also remained involved in the Winter Annual Meeting and worked with the newly formed American Society of Engineering Management for a few years to hold joint conferences. I am still working through records for later highlights, but the Management Division goes through cycles. The culture has changed. The first participants were mainly manufacturing executives, then academics, and now practitioners. There has been no big company executive involvement in the MD for quite a while. Executive participation is now represented in the Industrial Advisory Board, while active Management Division members now are mainly mid-level practitioners in manufacturing companies, academia, or consulting firms. Today, the division is not recognized enough in the Society as a whole, but efforts such as the GEMC promise to bring the Management Division back to the forefront.

Q: In your research, do you communicate with the management divisions or sections of other engineering disciplines?

A: Officially, not yet, but I know the relevant people in AiCHE, ASEM, IEEE, and so forth. I will ask them how they are handling management in their Societies. I expect to find exactly the same management trends in those disciplines as in ASME. I also may try to develop contacts within the IAB. I helped establish the IAB to encourage high-level managers in engineering companies to support their engineers' involvement in the Society. They meet a couple times a year and provide recommendations to the Society on how to benefit our members.

Q: What are some of the most important changes in the duties, tools, and range of responsibilities that concern engineering managers today?

A: The tools have changed dramatically, especially methods of communication. Email and web financial transactions are replacing the services of the U.S. post office, as are the social networks. Even private shipping companies are out-competing the post office. Many newspapers are closing. I don't think we will have land-line phones much longer. TV is feeling the impact of computer capabilities. These all have major impact on the Society as a whole, and certainly the MD.

Also, the responsibilities of engineers are ever increasing. Sustainability and life cycle requirements are very important. This is the biggest issue in nuclear energy, but also applies to the chemical industry, electronics such as TV's, etc. Engineering managers are now more and more responsible for value engineering and quality assurance. All engineers must keep current through continuing education. In addition, we must consider company issues such as security, intellectual property, and others that used to be mainly the concern of top executives.

Q: Engineering managers are concerned with archiving data for easy retrieval and use. How can we better document the activities of the MD for future engineering historians such as you?

A: I have run into considerable difficulty in amassing Division information from 1980-2010. We must reach an understanding with ASME staff regarding storage processes and technologies. This should be a Society responsibility. Actions at the Board of Governors level are carefully archived to comply with law; we might adopt processes such as theirs. But we need to create the records first. This requires good minutes of all meetings and activities. I think we should have a designated Historian. Also, someone should be designated to write a good report of MD conferences starting with the GEMC. In the past, there were 10 year summary reports on the Management division, usually compilations of published papers. We should start a similar practice again, perhaps to include a summary of the preceding annual reports and plans.

Q: How long have you been working on your revision of the history of the Management Division?

A: I've been working for about a year and a half now and am about 30% through. But some info in certain periods is not available. Old letterheads, reviews of past AC-10's, old newsletters...things like that may provide some of the missing data. Perhaps my session at the GEMC will prod the memory of some people in these gap areas. I am preparing in the history book an index of areas where people can contribute, for instance the impact on MD due to the recent restructuring of ASME, plus an overview of papers over the past thirty years. I will be asking for volunteers in these and other areas.

Please contact Nate at [hurtnhjr@npgcable.com](mailto:hurtnhjr@npgcable.com) if you have information on the MD between 1980-2010.

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## **5. GEMC 2010 Interview Series: Ms. Janelle Montgomery**

Janelle Montgomery  
Principal, The Keystone Group

1. What is different about managing turnarounds for technology intensive companies? In your consulting experience are there specific frameworks/methodologies that work better for technology companies?

*Technology-intensive companies tend to have a high proportion of their costs in personnel relative to, say, a manufacturing company. This may make a turnaround seem easier because there are costs that can be cut quickly to increase cash flow. On the other hand, much of a technology company's intellectual property assets are tied to these same personnel. So as you trim costs, you have to be very careful not to lose all that valuable knowledge, and there may be a steep learning curve to understand which IP truly drives cash flow.*

2. How do you guide global engineering companies through corporate restructuring exercises by causing the least amount of disruption to the inherent talent or future growth of the company?

*Every turnaround has to balance the company's immediate survival needs against its future prospects. In almost every case, capital investments and new product development efforts are the first things to be postponed or cancelled to preserve cash. Sometimes you can find creative means of retaining talent at a reduced cost, like putting people on furlough rather than outright downsizing, but there is definitely no easy answer. Each situation has to be evaluated carefully, and you must take into account different jurisdictions' employment laws.*

3. How should engineering managers position/manage their teams through downturns?

*Communication is essential. Once the announcement is done, gather the survivors, hold round tables, communicate the new road map, etc. As hard as it may be to look your team in the face after a downsizing, managers must get out of their offices and be highly visible and accessible. Managers also need to own the change - blaming 'corporate' tells your team you have no control over their future, decreasing their confidence even further. Also, we see sometimes that people will 'let themselves go' in times of high emotional stress, so it is important that the managers take care of themselves (hit the gym, good hygiene, etc) to set the right tone for the group.*

Janelle Montgomery is a Principal at The Keystone Group and provides manufacturing and distribution companies with strategy and operations, turnaround and merger-integration consulting, drawing on over 20 years' experience in financial and operational transformations in a variety of industries. For GEMC 2010, Ms. Montgomery will be leading the sessions on Keys to Managing Consolidation in a Global Market and High Quality Leadership in the Global Environment. More information on her sessions is available at <http://asmeconferences.org/gemc10/tracks.cfm>

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## **6. GEMC Marketing**

Greetings from the GEMC marketing committee. We hope all of you had a good holiday and are ready to get involved in making the first ever GEMC a success. The marketing team has put together a strategy to promote the conference and would welcome your help in chipping in. You can help out just by promoting the conference within your companies or if you would like to be

an integral part of the marketing campaign, feel free to reach out to Chetan Paydenkar ([c.paydenkar@yahoo.com](mailto:c.paydenkar@yahoo.com)) to help lead with execution of the plan.

The team is reaching out to industries and educational institutions in the Texas region and also partnering with local ASME chapters in getting the word out. If you would like develop and grow your network in the region, this would be a good opportunity to build those relationships as you promote the conference.

We look forward to seeing you at what promises to be an exciting event.

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## **7. Links / Resources / Publications**

Global Engineering Management Conference: <http://www.asmeconferences.org/gemc10>

ASME Management Division: <http://management.myasme.info> & <http://divisions.asme.org/management>

Center for Engineering Entrepreneurship & Innovation: [www.asme.org/Communities/Entrepreneur](http://www.asme.org/Communities/Entrepreneur)

IEEE Innovation Institute: [www.innovation-institute.org](http://www.innovation-institute.org)

IEEE Entrepreneurs Village: [www.ieeeusa.org/careers/entrepreneurs](http://www.ieeeusa.org/careers/entrepreneurs)

American Society for Engineering Management: [www.asem.org](http://www.asem.org)

American Management Association: [www.amanet.org](http://www.amanet.org)

International Association for Management of Technology: [www.iamot.org](http://www.iamot.org)

Project Management Institute: [www.pmi.org](http://www.pmi.org)