



*The Educational Society for  
Resource Management*



## PDM Dinner Meeting

### — Intransit Inventory Cost —

Motor Carrier, Rail Capacity and Fuel Cost Issues  
SPEAKER: Mr. Steve Muir

Northern California Affiliate of The Select Carrier Group

The more inventory you have in transit, the more inventory intransit cost you incur. Ultimately your customers may be impacted by these increased costs. At the same time, not having enough inventory in transit may affect customer service level. Also, many times, some shipments may have to be expedited. These are perennial trade-off situations faced by many professionals in operations management.

This presentation will cover current issues pertaining to motor carrier and rail capacity that influence transportation pricing and your inventory levels. The speaker will also cover the following factors:

- ✓ Escalating fuel costs and how carriers are implementing fuel surcharges.
- ✓ Expedited transportation alternatives
- ✓ Use of storage containers for temporary warehousing needs

**RSVP by Friday, November 12, 2004**

#### Agenda

- 5:30 Registration
- 6:00 Dinner & Networking
- 7:00 Membership Meeting
- 7:10 Presentation:

#### Location

Hungry Hunter Steakhouse, 450 Bercut Dr, Sacramento. . Please call (916) 650-8660, or email Ed Mercado at edmercado@msn.com and provide the attendee's name, company, telephone number, fax or email address. \$23.00 all attendees (includes dinner), \$5.00 for speaker only.

Volume 20 Issue 4

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# Message from the Board

## Becoming A Pro

I've been slowly painting my house. Every day the weather permits, I do a little more. And a little more, and more, and more. I'm still not done. I had planned to complete the job a couple of weeks ago, but at least the front of the house is done and the neighbors should have nothing to complain about. I was complaining to my wife about how long this was taking me. I mean a pro could have done it in a couple days.

We duh. Of course a professional would have done it in a couple of days. That's kind of why we call them professionals. They know all the tricks of the trade and have hard earned experience. Could I lay carpeting and tune a car as fast or as well as a pro? Of course not. But I can put an amateur away in the operations planning profession.

Once you've decided and what your chosen profession or vocation is, you go out and get the training and experience you need to be the "professional", the "expert". That's where APICS comes in. Without APICS classes, seminars, conferences, professional development meetings, or periodicals – you could work in operations management, but I wouldn't call you a professional. APICS provides the professional with a competitive edge, both in business and personally.

Read a book, attend a seminar, expand your knowledge. Better yet, get involved in the chapter. In addition to the resources listed above, there are opportunities and training available to chapter volunteers that you'd pay thousands for on the open market that can be had for next to nothing, just some of your time.

By the way, you may have noticed that I used operations management a lot in this article. Well, that's because APICS is changing its name a bit. For the last several years we have marketed ourselves as APICS - The Educational Society for Resource Management (I know strangers have asked me if the resources where oil related or in forestry). Starting January 1<sup>st</sup> we'll be know as APICS - The Association for Operations Management. This new name will better represent who and what we are.

Bill Lodholz  
VP Marketing

## APICS Sacramento Calendar



### November, 2004

- 2 Board of Directors meeting 6:00 PM
- 16 Professional Development Meeting.

### December, 2004

- NO Professional Development Meeting.
- 4 Board of Directors meeting

## Bio: Mr Steve Muir

Mr Steve Muir has over 19 years experience in transportation operations, sales and pricing. He is currently the northern California affiliate of The Select Carrier Group ([www.selectcg.com](http://www.selectcg.com)), a motor carrier serving the US and Canada with 72 warehouses, air and expedited LTL capabilities and ocean freight forwarding. Prior to his current position, he was an agent for Matson Integrated Logistics.

He has also worked for Pacer International, National Piggyback Services, ITOFCA Consolidators and Alliance Shippers. Steve is a board member and past president of the Pacific Transportation Association. He earned his degree, major in Logistics and Physical Distribution from Michigan State University.

## APICS Unveils New Name at 2004 International Conference and Launches New Brand in 2005

**Alexandria, VA (October 12, 2004)** APICS—The Educational Society for Resource Management is pleased to announce that it will change its name to APICS The Association for Operations Management, effective January 1, 2005. The association will use a new tag line—Advancing Productivity, Innovation, and Competitive Success. APICS unveiled the new name publicly at the 2004 APICS International Conference and Exposition in San Diego, California, on October 12.

The APICS Board of Directors unanimously approved the name change at its October 9, 2004, meeting. "APICS has evolved to meet the needs of the community it serves, but the name no longer fully recognized the value proposition the association delivers," said APICS President Arnold E. Kennedy, CFPIM, CIRM, Jonah. "The new name will honor our rich history in production and inventory control, better define the broad application of the APICS body of knowledge, and position us for the future."

APICS was founded in 1957 as the American Production and Inventory Control Society, Inc. In the early 1990s, it adopted the name APICS—The Educational Society for Resource Management to acknowledge its growing international presence and expanded scope.

*(Continued on Page 6)*

# For Sale!



APICS  
Sacramento  
Denim Shirts  
\$25.00

Contact Melanie Hoots at [melanie\\_hoots@hp.com](mailto:melanie_hoots@hp.com) to purchase.

## Computer Based CPIM Exams

Computer based CPIM exams are offered by Promissor.

All of the info you will need to register for an APICS exam can be found at <http://www.promissor.com/>

- Select "Professional Certification Exams" under the "Find Test Information" section.
- Select the "APICS..." option.

Read the "Description of New Registration Process (pdf)".

It has all the info you should need including how to get dates, locations, cost, and registration process.

## Weber State University On-line APICS Certification Courses

SU Online is the virtual campus for Weber State University, delivering online courses via the World Wide Web. Five courses are offered in partnership with APICS:

- \* Basics of Supply Chain Management
- \* Master Planning of Resources
- \* Detail Scheduling and Planning
- \* Execution and Control of Operations
- \* Strategic Management of Resources

Exam review courses can be taken collectively for CPIM certification or taken separately to suit the needs of the company or individual. For more information, go to <http://www.wsuonline.weber.edu>. Remember to tell them you're a member of Sacramento APICS! ☀

## CIRM Courses Available On-Line

CIRM is a comprehensive educational program designed to help you understand the power of collaboration among organizational resources such as product development, marketing/sales, human resources, finance, and operations. The CIRM program enables you to effectively interact with cross-functional departments for more strategic decision making, enhanced collaboration, and improved productivity

On-line CIRM Courses are available at [www.epiweb.net](http://www.epiweb.net). Be sure to reference Sacramento APICS when registering.

## CPIM Courses Available On-Line

CPIM applies to many supply chain tasks and provides the necessary knowledge to thrive in today's global competitive environment-both in terms of reducing costs and increasing customer loyalty.

Since 1973, the CPIM program has educated more than 75,000 manufacturing professionals on essential terminology, concepts, and strategies related to demand management, procurement and supplier planning, material requirements planning, capacity requirements planning, sales and operations planning, master scheduling, performance measurements, supplier relationships, quality control, and continuous improvement.

To register for your next CPIM exam, visit [www.asisvcs.com/publications/html/faq\\_apics.asp](http://www.asisvcs.com/publications/html/faq_apics.asp) or call Promissor Customer Care at 1-800-274-8399 or 610-617-5093.

# APICS Sacramento Company Coordinators

Our Company Coordinators serve as the principal communication links between the Sacramento Chapter of APICS and their companies and fellow employees. If you work for one of the companies listed below and need APICS Chapter information of any kind, please feel free to contact them.

If you do not see your company listed below, it is because *you* haven't volunteered. To become a coordinator, call Brenda Marsh (916) 447-8205 or email at [brcben@sbcglobal.net](mailto:brcben@sbcglobal.net).

## **Aerojet**

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## Notable Quotes

The trouble with research is that it tells you what people were thinking about yesterday, not tomorrow. It's like driving a car using a rearview mirror.

— Bernard Loomis, toy manufacturing executive

The supply of words in the world market is plentiful but the demand is falling. Let deeds follow words now.

— Lech Walesa (b. 1943), Polish trade union leader, politician

## Check Out the APICS Career Center Online

Whether you are in the market for a job or just want to keep your options open, you'll want to search the APICS Career Center for available jobs, or to post your resume...the perfect fit could be waiting for you!

[http://www.apics.org/CareerCenter/careercenter\\_gateway.htm](http://www.apics.org/CareerCenter/careercenter_gateway.htm)

And don't forget that APICS is a great place to network with the employees of the region's leading employers. Not only can you mix, mingle, and network but you also receive valuable professional development information.

A job opportunity can be discovered anywhere, don't miss the chance to find one through your own local network

*Carol Thompson  
VP Job Opportunities*

## APICS Unveils New Name at 2004 International Conference and Launches New Brand in 2005 (continued)

*(Continued from Page 3)*

Today, APICS represents a diverse community of professionals from virtually every manufacturing and service industry. The APICS body of knowledge spans all aspects of operations management, which includes production, inventory, supply chain, materials purchasing, and logistics. By changing its name, APICS The Association for Operations Management clearly defines its body of knowledge in terms that are universally understood. The new name asserts the association's leadership position of delivering superior training, internationally recognized certifications, and comprehensive resources, while representing a worldwide network of accomplished industry professionals.

In conjunction with the new name, APICS has adopted the tag line, Advancing Productivity, Innovation, and Competitive Success. "APICS is the resource that individuals and companies rely on for operations management education and validation of one's knowledge through obtaining the Certified in Production and Inventory Management and Certified in Integrated Resource Management designations," said Jeffrey W. Raynes, CAE, executive director and chief operating officer. "Our new tag line communicates the value that APICS delivers to an individual's career advancement, as well as an employer's bottom line."

APICS enlisted the research services of Wirthin Worldwide and strategic communications counsel of Fleishman Hillard International Communications in support of the rebranding efforts.

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**APICS—The Educational Society for Resource Management is the recognized global leader in professional certifications, educational programs, and publications for manufacturing and service industry professionals across the entire supply chain. Founded in 1957, the society supports nearly 60,000 members in 20,000 companies worldwide. To learn more, visit the APICS community at [www.apics.org](http://www.apics.org).**

**For more information, contact:**

Lisa M. Prats, CAE  
Director, APICS Communications Division  
(800) 444-2742 or (703) 354-8851, ext. 2397

## APICS Sacramento Job Opportunities Notes



Are you seeking another job or career change? Don't forget to check out the APIC-Sacramento Job Opportunities located at <http://www.apicsacramento.com>. You can also find national job opportunities by checking out the national APICS web site located at <http://www.apics.org>.

There are also many companies, consultants, and career counselors who can assist with items such as: resume writing, cover letters, interviewing skills, negotiating skills, as well as personal goals and objectives. Check out the yellow pages under Career or Vocational for this type of assistance.

Carol Thompson, VP Job Opportunities

## Certification Maintenance Notice

If you earned your CPIM before 1999, you must submit a maintenance application by the month of your original certification. Find out more at <http://www.apics.org/Certification/Maintenance/maintenance.asp> If you would like a handy spreadsheet to calculate your point, send an email to [tanis.perez@hp.com](mailto:tanis.perez@hp.com) and put "certification maintenance" in the subject. Don't delay! Once the deadline passes for you, you must earn additional points to regain your certification status.

### APICS Webinars

#### Get Tangled in Our Web of Education

APICS is pleased to announce the latest development in training and education—APICS Webinars. Each APICS Webinar lasts approximately 60 minutes and features educational discussions, case studies, and a Q&A period. All you need is an Internet connection and telephone to participate. Invite your colleagues to join you. As an added benefit, you will receive a CD-ROM of the presentation after the event.

#### Upcoming APICS Webinars

View a list of upcoming APICS Webinars topics and dates. Go to <http://apics.webex.com> for quick and easy access to the latest information on future topics, dates, and presenters.

#### Registration Information

To register for an APICS Webinar, visit and select Enroll.

#### Archived Events

Were you unable to participate in an APICS Webinar? Each APICS Webinar is archived and available for \$99 per viewing. Visit <http://apics.webex.com> and select Recorded Events on the left navigation bar to view an archived APICS Webinar. The archived APICS Webinar begins at time of purchase.

**CPIM and CFPIM designees:** Earn one professional development point toward Certification Maintenance by participating in an APICS Webinar.

The Educational Society for  
 Resource Management  
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### APICSacramento Board Members

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## International Conference

Going to the International Conference this fall? Live in California?? If yes, then you are eligible to get an additional \$50 off! It's cheaper than the early bird special!

Just go to the below url to learn more:  
<http://www.apics.org/conference/california/CARegistration.pdf>

Please note, you can't register online for it though. You must fax in.



**Materials Management Certification Program**  
**Supply Chain Management Certification Program**

Prepare for the APICS CPIM exam while earning an academic certification from CSUS. Please contact Jennifer Williams at [jennifer.williams@csus.edu](mailto:jennifer.williams@csus.edu) or (916) 278-4268 or visit [www.cce.csus.edu](http://www.cce.csus.edu) and look for Business Operations under Courses & Programs. Each of the six Materials Management courses and the seven Supply Chain Management courses are offered once each year. Please call (916) 278-4433 to register.

All courses are held at CSUS Campus, Sacramento on Tuesdays and Thursdays. Dates and times are subject to change. Please visit [www.cce.csus.edu](http://www.cce.csus.edu) for up-to-the-moment course schedules. Call Tanis Perez for more information at 916/748-8194.

Courses	Dates	CEU	Course Fees
<b>Core Courses (Required for both Materials Management and Supply Chain Management)</b>			
Basics of Supply Chain Management	Sept. 20 – Oct. 20, 2004 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 04FMM6011 <b>Melanie Hoots</b>	3.0	\$529
Master Planning of Resources	Nov. 1 – Dec. 1, 2004; No class 11/22 & 11/ 24 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 04FMM6021 <b>Terrell Thruston</b>	2.4	\$449
Detailed Scheduling and Planning	Feb. 14 – Mar. 16, 2005; No class Feb. 21 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 05SMM6031 <b>Terrell Thruston</b>	2.7	\$489
Execution and Control of Operations	Apr. 18 – May 16, 2005 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 05SMM6041 <b>Donald Clark</b>	2.7	\$489
Strategic Management of Resources	May 23 – June 22, 2005; No class May 30 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 05RMM6051 <b>Donald Clark</b>	2.7	\$489
<b>Core Courses (Required for only Supply Chain Management)</b>			
Fundamentals of Purchasing and Supply Chain Management	Jan. 5 – Feb. 2, 2005; No class Jan. 17 Mon. & Wed., 5:30 - 8:45 p.m. <b>Course code:</b> 05SPM0011 <b>David Tevlin</b>	2.4	\$459
Logistics	Mar. 28 – Apr. 11 Mon. & Wed., 5:30 - 8:45 p.m. <b>Course code:</b> 05SPM0051 <b>Craig Duehring</b>	1.6	\$349
<b>Electives (Choose one for Materials Management)</b>			
Facilities Management: An Overview	Jan. 11 – 27 Tues. & Thurs., 5:30 - 8:50 p.m. <b>Course code:</b> 05SFM6061 <b>Howard Harris</b>	2.0	\$359
Basics of Project Management	Feb. 2 – 16, 2005 Mon. & Wed., 5:30 - 8:30 p.m. <b>Course code:</b> 05SPMT0012 <b>Sumi Smith</b>	1.5	\$329

## Virtual Teams: Identifying The Benefits and Problems

**By Ira Smolowitz, Ph. D.;** Professor of Finance and Dean, Bureau of Business Research and Program Development at the American International College, Springfield, MA.

*Virtual teams have been defined as “the 21st century’s version of traditional teams. 1]*

“...studies indicate that virtual teams (teams in which most members cannot regularly meet face-to-face) embrace technology quickly and use it to disseminate information more efficiently than traditional teams.” 2]

TechnoTeams has listed the benefits of virtual teams. I have taken the liberty of summarizing their three-page list of benefits. 3]

**Improved Decision-Making:** Virtual teams become adept at moving information quickly, and at making it available for the entire team or entire organization. This efficient flow of information facilitates better and faster decision processes.

**Ideal Matching of Personnel & Task (without concern for location):** By removing location as a component of team selection, virtual teams can assemble the organization’s overall best possible mix of knowledge and skills. Talent dispersed throughout a global company can be used efficiently without constant travel or relocation (which sometimes drives talented employees away.) This is a considerable benefit and often the point that pushes companies to start using virtual teams. Take Lockheed Martin for example. “Having the wrong skills in the wrong place most of the time was what drove us to think about virtual teams,” says Joe Cleveland, president of Lockheed Martin Enterprise Information Systems (as quoted in Melymuka, p.70 (3).

**Fewer Face-to-Face Meetings:** Since virtual teams can converse and share information easily through the use of technology, the need for face-to-face meetings is greatly reduced. The reduction in meetings also results in a reduction in time lost due to travel and the disruption of being out of the office. Opper & Fersko-Weiss estimate one in three meetings can be eliminated in this manner (Opper & Fersko-Weiss, p.45). In the future, face-to-face meetings may be eliminated all together as cutting edge technology helps virtual teams feel like they are meeting in person. For example, NCR has employed a “high-speed, full bandwidth continuously available audio/video/data link that they affectionately nicknamed ‘the Worm Hole’” (a reference to Start Trek) (Lipnack & Stamps, p.78). Engineers positioned the cameras and tables in the meeting rooms to create the illusion of everyone sitting at one table. However, because technologies like this are very expensive to develop and to maintain, they are currently only a possibility for large companies with deep pockets.

Here are some examples of prominent companies employing virtual teams: 4]

### Verifone

Verifone is owned by Hewlett-Packard, and produces low-cost equipment for credit card and cheque authorization. Verifone’s employees are scattered all over the world, with less than 7% located at the tiny corporate headquarters in California. All employees are linked electronically and are able to share in major decision. Verifone’s transnational infrastructure juxtaposes efficiency, responsiveness, and learning.

### Eastman Kodak

A virtual team was used to develop a single-use camera for the European market. Though the camera's features were similar to those on the market elsewhere in the world, Kodak wanted to adapt the camera's features so that it would appeal to European buyers. German engineers worked with the design teams, first in New York, and later through telecommunications links from Europe. By creating a virtual team that allowed input from people across the world, Kodak was able to quickly respond to a local market opening.

Benefits notwithstanding, there are, in my opinion, serious problems associated with virtual teams. The Stanford Graduate School of Business has indicated:

...Virtual teams may extract an unexpected price: People who add their hard-won knowledge to a common pool may become alienated from the organization and even fear that they are sowing the seed for their own replacement.

After all, says Stanford's Margaret Neale, if your knowledge - not to mention the tricks and tips it has taken years to learn - is deposited in a database for all to access, does the organization still need you? "It's a real fear," says Neale. "Technology has the potential to destabilize the relationship between organization and employees."

Also a serious concern: Employees working in virtual teams are, to a certain extent, isolated from their colleagues. Although they may have contact with other employees of their organization, they don't spend much time with them. In this situation, the virtual worker loses opportunity to learn from his or her closest colleagues. In effect, there's a double penalty. The virtual worker perceives herself as giving away her knowledge but not having the chance to "replenish her own reservoir of knowledge," and thus feels even more vulnerable, says Neale. **4]**

In my opinion, in a period of down-sizing, employees are reluctant to share knowledge. This is true whether virtual teams are or are not in place.

Consider the following scenario: Jones or Smith are to be downsized: Jones has general skills and knowledge. Smith has more specific skills and to some extent is the sole repository of the above knowledge. All things considered, Jones is the more vulnerable employee. It seems to me, that Stanford's Margaret Neale has identified a serious problem associated with virtual teams.

### **References**

1. "TechnoTeams - A Resource for Virtual Teams..." downloaded 3/12/04 from [dmswed.badm.sc.edu/technoteam/BenefitsFina \(.htm p.1\)](http://dmswed.badm.sc.edu/technoteam/BenefitsFina (.htm p.1)
2. "Workers Fear Cooperating in Virtual Teams May Make Them Obsolete" *Stanford Graduate School of Business-Research* (October 2003)-downloaded 3/12/04 from [http://www.gsb.stanford.edu/news/research\\_virtualteams.shtml, p.1](http://www.gsb.stanford.edu/news/research_virtualteams.shtml, p.1)
3. *Techno Teams, op.cit., pp.1-3*
4. *Stanford Graduate School of Business, op.cit., p.1*

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