

## SAIC MIGHT BE PLANNING LAYOFFS

Science Applications International Corp. might not have a federal contract renewed, which could result in 150 layoffs in its Falls Church, Va., office as a result, the Washington Business Journal reported Thursday. The company also is looking to cut another \$350 million in annual costs, including \$220 million by simplifying its structure and reducing administrative costs, the Washington Post reported. The Falls Church layoffs are tied to five-year, \$45 million contract was in support of the Advanced Information Technology Systems program, and ends May 22. The company had submitted a contract renewal proposal, but the GSA's Federal Systems Integration and Management Center awarded the work to L-3 Communications Holdings Inc. SAIC will help those 150 employees find other jobs, the Washington Business Journal quoted spokeswoman Jennifer Gephart as saying. SAIC executives spoke about the need to reduce costs during an analyst call following the release of its quarterly report, the Post said. Among its cost cutting moves are improvements in how its buy things. The company said it could save \$30 million annual by taking actions such as using preferred vendors, the Post reported. The cost cutting comes as SAIC is planning its division into two companies, which should be completed sometime in the next nine months. In its quarterly report, the company said it had \$2.71 billion in revenue for the fourth quarter, which ended Jan. 31 versus \$2.5 billion for the same quarter last year. It had \$11.2 billion in revenue for the year, compared to \$10.5 billion in 2012. Operating income for the quarter was \$145 million, compared to a loss of \$114 million last year. Operating income for the year was \$734 million versus \$299 million last year. Operating income took a hit last year because of the \$500 million the company paid last year to settle the CityTime scandal, a trouble IT project SAIC had in New York City. Establish credibility with employees by being transparent. If they truly believe you've told them everything you know, and you do that consistently, then fewer folks will be likely to make up their own versions of the story. Every organization has a few busybodies, but honesty really is the best policy when it comes to communicating to your employees. If you don't know what the impact of a looming acquisition or piece of legislation will be, it's OK to say so. But if you're secretly planning for scenarios in the background, your employees will appreciate knowing what potential implications are instead of being kept totally in the dark. Obviously, some company information or details of crisis planning must be kept confidential to ensure the company's vitality and prevent competitors or other parties from gaining an upper hand. The point here is that you shouldn't default to a secret-first policy when it comes to information that impacts your employees. So you've decided to share what you know with the team. Good. But all that sharing could be worthless if your employees don't understand the consequences of the information you're putting out. Or, perhaps the scenario in play itself has not been fully, clearly described to them. Not all employees are going to be as savvy about the marketplace or the business as your senior leadership, so you can't presume they'll just get it. Don't make employees muddle through tons of info and organizational gobbledegook. Prepare FAQ sheets and other materials they can use as quick-reference guides to know how they should prepare for, and act in the event of, the given scenario. Make your messages concise and in plain language. Allowing employees to telework, whether on a routine schedule or episodic basis, leads to greater productivity, and a more engaged employee. Teleworking has many advantages to the employee, as well as to the company values. Benefits can include reducing travel time and the stress of commuting, and it provides great flexibility for employees to balance personal and professional responsibilities. As a result of our telework program, we make an impact on our clients, employees, organization, and our community. At Intellidyne, our mission is to enable our clients to experience above and beyond service. By enabling our staff to telework, we can provide mission-critical service at any time from any location. By leveraging technology outside of the office, we can provide immediate response with the same quality service that clients enjoy from in-office staff. Our workplace flexibility program creates the greatest impact because it improves employees' overall health and well-being. By providing the flexibility and work-life balance, they are able to meet their personal responsibilities and family obligations, as well as pursue their professional and educational goals. In addition, teleworkers will experience a financial savings associated with a reduction in cost for commuting, dry-cleaning, and clothing. In our 2012 employee survey, 90 percent of employees indicated that they are able to satisfy their responsibilities both at home and work, and 91 percent of our employees indicated that Intellidyne allows them to have work life balance. Systems integrators operate within an interesting paradox according to industry research: the longer a firm has been working with a specific customer, the less market research, i.e. environmental scanning, it performs. After working with a customer for 10 or 15 years or more, the company believes that it knows the customer better than anyone else. Unfortunately, a long-term customer relationship invariably becomes taken for granted. This development is not intentional; it just happens. The company can no longer see the customer with 'fresh eyes.' The impact of political, management, regulatory, technological or social changes on the customer are hard to see; but not to a hungry competitor. This paradox is a primary reason why so many firms lose their recompetes. Many times, I have heard, during program review meetings, 'The customer loves our program manager.' It gets worse; often times, the company's PM is the only person that the customer sees from the company. Rarely has the company established the internal and external mechanisms, including a touch-point plan, to objectively validate their presumption concerning the customer's real opinion of the PM...and the company. A common tactic, which is fraught with risk, is to rent/hire a government employee that has recently retired from the agency to address the firm's lack of current and objective customer knowledge. Market research is a strategic marketing sub-function. Today, in our industry, it is usually performed on a part-time, ad hoc basis. When the government releases a request for proposals or task order for bid, someone is told to 'go do research?' often not the most senior person in the room. Unfortunately, a snapshot of a customer's complex environment and the program opportunity does not reveal long-brewing trends or subtle changes. Then there is the fact that most companies are looking at the same market data from the same sources. What is a company supposed to do? Establishing a meaningful market research capability can be a daunting task. Beware - market research is an overhead function, which is a no-no according to the spreadsheet managers. Market research is a fundamental capability within strategic marketing; it is a way of thinking, different from other disciplines. It requires an understanding of the firm's position in its market, and how the firm serves its market base as compared to direct and indirect competitors. A firm that has a professional and systematic market research capability has a significant competitive advantage. This can allow the firm to proactively monitor its external environment instead of constantly reacting to it. Read the full article here: [SAIC might be planning layoffs](#) Want to see which IT jobs are available near you? [Click here](#) to see.