



## Feeding our economic engine

### **Rockwell Collins expands relationship with HCL Technologies by opening a new offshore design and development center in India.**

**By Jill Wojciechowski**

Norma Guereque-Gonzales understands all too well the benefits and also the challenges associated with managing business relationships. And when those working relationships are with colleagues located halfway around the world, the task becomes even more interesting.

A senior engineering manager for Rockwell Collins in Tustin, Calif., Gonzales spends the majority of her workweek acting as a liaison between our company and the employees at HCL Technologies – one of our primary subcontractors and the company with which we recently created an offshore design and development center in Bangalore, India.

"There are always challenges when people work together, no matter where they are located," said Gonzales, who works with HCL employees both on-site in Tustin and also in Chennai, India. "The important thing to remember is that we're all working toward the same goal – we want to continue making our products successful and positioning our company for growth."

#### **Increasing customer value**

In today's highly competitive marketplace, tapping into the exceedingly talented pool of engineers currently available in countries like China and India is imperative to our business success. Doing so not only reinforces the importance of our diversity journey, but also better positions us to become a more global company.

"Globalization has and continues to change our world," said Gonzales. "As a company, we need to change with it so we can continue down the growth path. If that means sending work offshore to meet customer deadlines or reduce our engineering costs, then we all need to find ways to overcome whatever cultural or communication barriers might be standing in our way."

According to Roger French, principal engineering manager for Commercial Systems Engineering Design Support in Cedar Rapids, allocating work such as the verification of software to companies outside the United States is not only cost-effective, it also enables our engineers to focus on the innovations that will help us remain competitive.

"Our overall strategy is to increase our customer value," said French. "For instance, our systems engineering and development skills are highly valued by our customers, but there are other things that we don't necessarily have to do in-house, and those are the things we're asking our subcontractors to assist us with."

Saving discretionary funds also is a tremendous benefit of doing business offshore, added Steve Nieuwsma, vice president of Commercial Systems Engineering. He said it allows our company to chase additional programs and ultimately creates more jobs and opportunities for our engineers.

"We save about 50 cents on the dollar when we ship something offshore and have it done in India," said Nieuwsma. "Last year, we saved \$17 million dollars and we put that back into our organization, which enabled us to chase new programs. Doing so ultimately leads to increased sales and revenues. It's really a self-feeding economic engine for us."

### **Competing for engineering talent**

With nearly 600 open positions to fill this year alone, our Commercial Systems business unit – like many companies across corporate America – is faced with the seemingly insurmountable challenge of determining how to win the impending "War for Talent". Take movement within our company and our attrition rate into consideration and Commercial Systems is actually faced with hiring about 1,000 new engineers before the end of this calendar year.

"Because business is good, because we have a lot of movement and advancement within our company, and because we have a lot of people retiring, we're having difficulty keeping our requisitions filled," said Nieuwsma. "Having people from HCL work with us in the design center in India and shoulder-to-shoulder with us in the U.S. definitely helps supplement what we're trying to accomplish."

Recent statistics indicate that the United States is graduating about 70,000 engineers each year. Those numbers are rather low and are of great concern, considering China graduates about 104,000 engineers on an annual basis, and India graduates about 105,000 per year.

"There's a lot of competition for engineering talent in the U.S. right now, and in certain areas there are skills that are very hard to acquire," said French. "Going offshore can help us find the engineers we need to help handle a portion of our workload."

### **Making the right decisions**

While sending business to other countries also can help increase our offset credits – which are important when doing business overseas and are needed to meet some of our customers' contractual obligations – Rockwell Collins is extremely careful about what is moved offshore.

"Some companies take the perspective that you can take any job an engineer does, throw it over the ocean and it will be done successfully," said Nieuwsma. "We don't subscribe to that. We've been very careful in identifying the things that are of extremely high value to our customers, and we're not going to move them offshore."

In addition, enhancing our business relationships with subcontractors like HCL, as well as the Aeronautical Computing Technique Research Institute (ACTRI) in Xi'an, China, and the Chinese Aeronautical Radio Electronics Research Institute (CARERI) in Shanghai, China, also provides Rockwell Collins with access to customers who might not have otherwise considered our company.

"I firmly believe that one of the reasons we won the avionics position on the ARJ-21, a regional jet being developed in China, was because we had already established a relationship with ACTRI and CARERI," said John Baseler, senior engineering manager for Flight Management Systems in Cedar Rapids. "There are always people who will worry that we're sending too much work offshore, but I believe we're doing it the right way. We're using these resources to fill in for our engineering gaps."

***About the photos in this article's banner image***

*(Left): Huashan Chen, a senior software engineer at Rockwell Collins in Cedar Rapids, Iowa, is able to bridge the language barrier between our engineers and those at the Aeronautics Computing Technique Research Institute (ACTRI) Company in Xi'an, China, and the China Aeronautical Radio Electronics Research Institute (CARERI) Company in Shanghai, China. Chen is a native of Shanghai, China.*

*Photo by Paul Marlow, The Creative Gene, LLC*

*(Center): Norma Guereque-Gonzales, a senior engineering manager at Rockwell Collins in Tustin, Calif., works with employees from HCL Technologies both on-site in Tustin and also in Chennai, India.*

*Photo by Laurel Hungerford, Laurel Hungerford Photography*

*(Right): Mike Herring, a senior engineering manager at Rockwell Collins in Melbourne, Fla., is working with engineers at HCL Technologies in Bangalore, India, on the Configurable Integrated Surveillance Systems (CISS) project for the Boeing 787. He also works with HCL employees on-site in Melbourne.*

*Photo by Kristen Barlett, Kristen Barlett Grace Photography*