

From Good to Great

An Interview with Howard L. Lance,
Chairman, President, and Chief Executive Officer, Harris Corporation



Howard L. Lance

EDITORS' NOTE Howard Lance joined the Harris Corporation in January 2003 as President and Chief Executive Officer and was elected Chairman in June 2003. Prior to joining the company, Lance was President of the NCR Corporation and Chief Operating Officer of its Retail and Financial Group. Before that, he spent 17 years with Emerson Electric Company. He has been a member of the Harris board since January 2003, serves on the National Security Telecommunications Advisory Committee, and also serves on the board of trustees of the Aerospace Industries Association, the Manufacturers Alliance/MAPI, Inc., the Florida Council of 100, the United Way of Brevard County, and the Florida Institute of Technology. Lance earned an MS degree in management from the Krannert Graduate School of Management at Purdue University and a BS degree in industrial engineering from Bradley University.

COMPANY BRIEF Founded in 1895 and headquartered in Melbourne, Florida, Harris Corporation (www.harris.com) is an international communications and information technology company that is dedicated to developing assured communications products, systems, and services. The company serves government and commercial markets in more than 150 countries, has annual revenue of almost \$5 billion and more than 16,000 employees, including nearly 7,000 engineers and scientists.

Technology seems to be at the core of Harris. What areas are you focused on?

I'd like to start at a higher level regarding how we view our role in the markets in which we participate. We focus on communications and information technology, and we do that on a global basis across a wide variety of end markets in government and commercial areas. We serve those markets with a variety of strong solutions and products. In the government area, these include our tactical radios for U.S. defense forces, our aviation electronics for military aircraft, and our satellite communications systems and antennas, and others. On the commercial side, we provide hardware and software for broadcasters that deliver high-definition and digital content, and microwave radios for public and private wireless networks.

All of the products and the networks that we deploy and manage have a common theme, which is the mission-critical nature of the customers' application. It's usually a very high-reliability environment, and in most cases it's a secure environment where the information-assurance aspects and the security of the communications are especially important.

We used to describe ourselves as a communications technology company, but that has evolved over the years, because it's not just about getting information from point A to point B. It's about what our customers want to do with that information. It's about getting real-time information to lots of participants at the same time, so that they have a much greater degree of situational awareness. That's where information technology coming together with communications has opened the door for us for lots of market growth opportunities. We're evolving from a company that makes communications products to a company that helps customers design, deploy, and operate communications and information networks. So we think this is an exciting time, with very fertile opportunities for growing the company.

To have successful relationships on the commercial side, how do you deal with your customers?

Part of our strategy as a company has been to grow organically and through strategic acquisitions to become a supplier of end-to-end solutions rather than to offer just a one-product-point solution. Let's use an example from the broadcast market. Television broadcasters have relied on Harris for more than 70 years to

give them over-the-air transmitters that provide high reliability, high quality, and high fidelity. But as they began transitioning from analog to digital broadcasting, the whole game changed, and an opportunity was created for someone like Harris to build a portfolio of hardware and software solutions that spans the gamut. We wanted to be able to help our customers from the beginning of their workflow, when they're creating content using our software and hardware; all the way through the management and distribution of that content within their various networks, stations, and users; and ultimately to the delivery of that content to the consumers through one means or another, be it wirelessly, through cable, over the airways, or through the Internet. So we've built a business where we have end-to-end solutions and a very broad portfolio of capabilities where we can partner with the customers and they can rely on us to provide a much broader set of solutions. When I'm meeting with the senior executives of our broadcast customers, I can make a very compelling offer for them to partner with a large multinational financially sound company.

How important do you think it is to have a corporate culture that is focused on citizenship and community involvement? Is it challenging to drive that idea through an organization the size of Harris?

I think one of the roles of a leader is to lead by example. I believe very strongly that I need to individually give back to the community, to try to improve the quality of life in our community, and to support local organizations. I certainly have to allocate some time to do that. That's my biggest personal challenge, but by doing it, I set the bar high for others in the organization. A real focus of mine at Harris has been to step out and provide community leadership, and to do so in a way that inspires others in my organization to want to do the same thing. As a result, our people and our leaders are very involved in what's going on in our communities. When you link employees with the community, you create win-win opportunities. The shareholders benefit, because they get a stable, engaged workforce, and the local community benefits because it gets some of the best and brightest businesspeople working on very tough local challenges with regard to education, homelessness, hunger, medical care, and other important issues. ●