How HP has paved the Way for the Electronic Industry
By Cole Normandin-Parker

We have all heard the iconic stories of a famous business getting its start from a garage: Apple, Microsoft, Dell. Yet, overlooked, HP was one of the first. In 1939, Bill Hewlett and Dave Packard flipped a coin in their Palo Alto garage to create their company under the name Hewlett-Packard" or "Packard-Hewlett."[1] Lucky for us, HP was declared the winner and they started their business in oscillators, used to test sound equipment. In their 80 years of business, HP has been all around the electronic industry, yet why they stand out as a company was the groundbreaking management and standards that they paved the industry with.

HP has always led the industry in business innovations that many companies later adapt. HP always focused on putting their employees first, and Bill and Dave proved this in 1942 by being one of the first companies to establish an employee health care plan. The reasons behind this are unknown, but it could have been a way to address the 1942 Stabilization Act, which restricted raising wages. HP provides healthcare as incentive benefits for employees, and most companies followed suit in 1943 which was a pivotal point in the history of healthcare in the United States.[2] HP was one of the first US companies to use an open workspace in the industry; they developed management practices such as using first names on a regular basis which was unheard of in the 1940 and 50s. They also developed research facilities and established policies that allowed for creative development and employee comfort.

HP is known for its computers, coming in second in the global PC market. But with seven business segments and a start in oscillators, HP has come a long way in the electronic industry. HP originally got its start in the oscillators, which they famously sold to Walt Disney for the 1940 animated film *Fantasia,* they later made a change towards military application in WW2 helping with counter-radar technology. After the war Packard and Hewlett took two segments of the companies into different developments, their first step into the seven divisions they have today. Packard focused on the company business with high-speed frequency counters and other technology during the electronics expansion of the 1950s, while Hewlett led the research and development. With this division in workload, the company was successful in creating profits while always looking into the future, and staying ahead of future technologies of profit. HP continued to work with the government, while also providing technology around FM radios and calculators. Weirdly enough HP had an extremely rough start in the computer business even though that's what they are known for today.

Even though HP was one of the leaders in electronic engineering, it doesn't mean that they don't have competition. When it comes to Personal Computers, HP has many competitors. Yet, HP has done an amazing job addressing competition, keeping shareholders happy, and expanding the industry. What kept HP above the competition all these years is that "it spends a larger portion of its budget on research and development than any of its competitors, in order to design and develop products, solutions, and services that take advantage of the latest trends in technology.[6]" Economic analysis has gone into depth on the analysis of HP and even though it

has weakness such as its size and intense hardware competition, even economics analysis say that it's a tough competition and with its seven divisions hard to compare it to any other competitor, seeing he success with high-profit margins and growth rates.

During the 2020 Covid-19 Pandemic everyone had to adapt, and the past few years have shown the resilience and adaptation that companies had to develop to survive the massive changes, and HP was no exception. HP's CEO Alex Cho made a press release during the beginning of the pandemic, stating that, "we think of this in three areas. One is taking care of our employees and our partners and customers. We're also looking at the impact on our business and making sure we're adapting to the changes, in real-time. And thirdly, we're also thinking through, what this means mid- and longer-term to our business, and to our partner and customer community.[3]" HP addresses these in a matter of ways, they leverage their global suppliers to ensure product quality and delivery [4]. During the pandemic, it was important to support our community and healthcare system, and HP maintained its image and focused on the education and healthcare system, donating millions to technology.

In conclusion, HP has been a leader in the technology industry since 1939. HP has focused on making sure that its standards are met and excellent. They have constantly reassured stockholders of success, addressed competition, created a unique and adaptive working environment, and maintained customer and employee satisfaction.

Work Cited

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