

## HP Shuffles Management as Sales Drop

Written by Marco Attard  
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In order to "drive ongoing turnaround" HP management gets a shuffle-- and drive the turnaround it needs to, since the company posts a -8% Y-o-Y decline on Q3 2013 revenues worth \$27.2 billion.



Net earnings for the quarter drop by -15% Y-o-Y to \$1.7bn.

All HP divisions bar software post Y-o-Y declines, causing CEO Meg Whitman to admit "total company Y-o-Y revenue growth in fiscal 2014 is unlikely... That said, I remain confident we are making progress in our turnaround."

Thus, in hopes to at least improve Enterprise Group business HP replaces chief Dave Donatelli with COO Bill Veghte, who retains his current responsibility over HP cloud efforts to effectively unite both portfolios under a single leader.

"Fixing execution across enterprise group will be Bill Veghte's top priority in his new role," Whitman remarks.

For his troubles Donatelli gets the role of identifying early-stage potentially valuable solutions, a role he already has experience with as seen through 3PAR and 3Com.

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A separate organisational move sees the combination of HP Marketing and Communications organisations under the leadership of CCO Henry Gomez.

In the meantime HP continues feeling the pain-- the Personal Systems Group sees the biggest revenue decline (-11% Y-o-Y), with commercial revenues dropping by -3% and consumer revenues by -22%.

The Enterprise Group declines by -9% Y-o-Y, with flat Networking revenues and declines across all segments (performance Whitman describes as "very disappointing"), while Enterprise Services also declines by -9%.

Printing revenues drop by -4% Y-o-Y.

Software is the only segment seeing growth, if just 1% Y-o-Y through support revenue (4% growth) and SaaS (4%). Professional services drop by -11%, while license revenues are flat.

HP EMEA revenues remain weak, dropping by -10% Y-o-Y.

Despite all doom and gloom the company believes things could have been even worse-- "Our turnaround is working" Whitman says, even if said turnaround depends on the slashing of the HP workforce by 26000 by the end of the fiscal year.

3800 employees left the HP ranks in Q3 2013.

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