

Foreword

Reality cannot be judged or properly appreciated if there are no bearings. One of the major strengths of this book is to put IT into perspective and trace its development through time.

Jean-Pierre Corniou's viewpoint gives rise to a first observation and a first surprise. Information Technology, which is said to be such a recent development, is in fact almost as old as the automobile. More than a hundred years of bustling history is hardly negligible! Many of us continue to blame system failures and computer bugs on youthful indiscretions. This could not be further from the truth.

IT is therefore more than a century old, and it has seeped into all the fields of activity on which each and every one of us has come to depend. And yet, for many company directors – myself included – it resembles a black box which has great difficulty in revealing its secrets.

This dependence can sometimes be difficult to bear because, unlike in other fields of activity, we do not have a set of intuitive parameters at our disposal that might enable us to appreciate the value and efficiency of the IT investments we make.

What we do know instinctively is that IT is a tool to aid productivity, and today, productivity levels – however little and however badly they are assessed – remain the primary justification for IT investment. Unfortunately, this productivity remains tied up to the image of factory automation or the mechanization of accounting operations, which have led to hours of work being cut down to mere seconds of processing. This simplistic vision does not suffice, because IT is also a tool which creates its own demand. Measurements of productivity are thus rendered difficult, if not to say impossible, most notably because of this continuous need, and because of

the recurring dynamics between needs being created and satisfied. When a factory is automated, there is a “before” and an “after”, and the two relatively stable states can be compared. With IT, there is no stable final state.

IT is thus an incredibly versatile object. Things have changed somewhat with the arrival of ERPs which are more systemic tools, but so far we have always built systems that are made-to-measure. This flexibility is further emphasized by the continuous creativity that is constantly pushing back the barriers of what is possible. The end-result is that IT always generates more hunger than it can satisfy. How then can actual, permanent productivity levels be measured?

The computerization of accounting systems is a fine example. Granted, processing has gained in speed, but that is not the most important point because, other than speed, we have come to expect details of cost prices, expenses, analyzes, etc. How can these be measured? Faced with this observation, it is best to acknowledge that quantitative measures are, in some cases, insufficient unless there is an absolute desire to create them artificially. Actually, the fact that it is so difficult to assess productivity has led us to manage IT from an expenditure point of view, by carrying out benchmark analyzes with other businesses and optimizing the use of the expenditure rather than its size.

These difficulties are also encountered in the technological choices we make. With a lack of distance and a lack of measurements, our IT choices are based on trust in the recommendations of our advisors. Perhaps other businesses have already used the product and can vouch for its effectiveness. Inevitably, there is a natural degree of uncertainty with this kind of procedure. However, this acceptable air of uncertainty is coupled with an unbearable element: agreements drawn up with the vendor through contracts which are far from perfect. From that point onwards, there is the distinct feeling that the vendor is taking you for a ride and that, at the same time, the client is acting in an irresponsible manner. If contracts have not been clearly formalized, the client can be tempted to review demands, and we are only too aware of the fact that reviewed demands bring about additional expenditure. In this area, we should be as thorough with IT as we are with the provision of other goods and services.

Choices and decisions: a manager’s major responsibility. However, anyone who purchases a black box but lacks the necessary skills is bound to fail. This is applicable to the IT and automotive sectors alike. Today, 75% of a vehicle’s cost price can be attributed to its bought-in components. If the manufacturer does not fully understand and master these various parts, efficient vehicles will not be produced. The same goes for IT. It is essential to master the architecture and the system and have a full understanding of the subject throughout time, which is not necessarily the same for every car manufacturer. The only rule is that, in a major

corporation, production is a complex system, and if a number of elements can be bought in from outside, it will simultaneously be rendered simpler and more efficient.

Obviously, our understanding of IT has evolved, as has its organization within a corporate environment. At one time, it was thought that the computerization of a company defined a certain kind of internal organization, and that organization- and computerization-related tasks were naturally intertwined. Optimal IT system issues even became defined as optimal organizational issues. However, today, with the aid of the perspective proposed by Jean-Pierre Corniou, it is clear that all of this has no meaning.

In effect, the division between those who use IT and everyone else no longer exists. We all use one or more computers and thus all contribute to IT on a general level. The IT manager is therefore no longer in charge of a single sector, but is responsible for the technology which acts as the liaison between all company workers.

Jean-Pierre Corniou quite justifiably uses the image of IT bilingualism. It is a case of being competent in IT whilst simultaneously understanding and being familiar with the company's various business lines. A further difficulty is linked with the ambivalence towards the notion of in-house clients. The clients of CIOs are other company players, but these are not clients who are spending their own money. Within a company, the real money is that which comes in from outside clients. CIOs are unlike other suppliers because they also play an advisory role. Parallels can be drawn between the CIO-client relationship and that which exists between doctors and their patients: just because patients are prepared to pay their doctors a lot of money does not mean the latter can prescribe any old remedy! This leads to a relationship which is thus one of bilateral authority ... and this can indeed be rather complicated!

The idea of a new economy did not solve anything. I have always been annoyed by the opposition between the old and new economies. The lion's share of the mistakes made by non-IT experts – and sometimes by IT experts – could be traced back to their tendency to draw upward curves and build future scenarios without enough of a history behind them. This led to all the economic bubbles and disillusionment. With my experience gained as a company director, I am in a position to say that strategic thinking must be founded on long periods which provide more solid reference points, in order to assess the various possible scenarios. The erratic ups and downs of technological stocks in recent months have been a clear illustration of how short track records are judged. The growth rates experienced over an extremely short term had been excessively projected over too

long a period. Failure was inevitable. However, there is another reason behind all this. The instigators of the so-called New Economy had forgotten the customers.

Let us take a look at what is happening in the automotive industry, and at Renault in particular. The e-vehicle on which we are currently working – featuring a mobile interface with the outside world and which is rich in information – is but in its early stages. The human/machine interface is the focal point of this e-vehicle, and the person on board is in most cases the driver, most of whose energy must be devoted to driving the car. Simple human/machine interfaces must therefore be designed, making use of the sole means available, namely speaking and hearing. Alas, we have a long way to go before achieving efficient voice control in a noisy environment. Furthermore, we do not yet have the slightest idea about what the true solvent market will represent – in other words, what the customer really needs. Whatever, in all cases, the product must be of genuine value if it is to attract solvent demand. Once again, this book clearly portrays the distinction between the dazzling rise of mobile phones, with a simple interface produced in response to a solvent need, and WAP systems, with their non-user-friendly interface and for which a solvent demand has yet to be identified.

We are aware of the fact that a company's efficiency rests on its ability to manage useful information. One of the issues in my eyes is the ability to provide access to data which has been sorted and prioritized. In this area, today's systems are a very long way from perfect. We have an unprecedented wealth of information at our fingertips but do not have the means of sorting it and providing it to the person who needs it at the time they need it. In this field, I have been struck by, for instance, the fact that the web has now become an accumulated mass of information that takes longer to read than traditional paper publications.

Therefore, Jean-Pierre Corniou's book is a fine starting point which can be read with interest and understood by all. However, what is most important is that it puts its subject matter in perspective. Different elements are put back into context allowing the surrounding scenery to emerge, and objectives and decisions to be redefined. This book does not provide answers to questions and does not say what should or should not be done. It is a reference book, and that is where its major strength and greatest usefulness lie.

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