



CAT Group

PEOPLE MATTER.....

Managing the IT culture
change in your business

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CAT Group at a Glance

● Key figures

– Employees (2003)	2,548	
– Presence in	18 countries	
– Total revenue (€)	1.2 billion	LV € 941 million LC € 264 million LO € 4 million

● Established

by the Renault Group as a specialist logistics business in 1957

● Acquired by the Global Automotive Logistics consortium in 2001

● CAT is solidly established in Europe, as well as in Latin America (Argentina, Brazil, Chile and Mexico)

● Serving clients

- Car manufacturers and rental-leasing companies
- High & heavy (agricultural and construction equipment)
- Parts manufacturers
- Motorcycle manufacturers-importers



Sample Customers by Segment

Commercial Vehicles

- Renault Trucks
- Scania
- Same Deutz Fahr
- Irisbus
- Claas

Manufacturers

- Ford
- Jaguar
- Land Rover
- Mitsubishi
- Nissan
- Renault
- Smart
- Volvo

Car Dealers

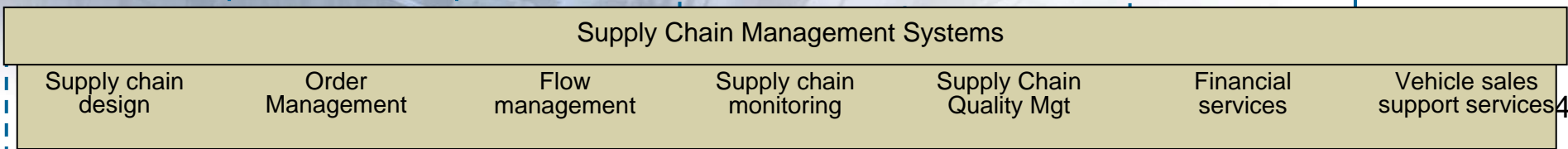
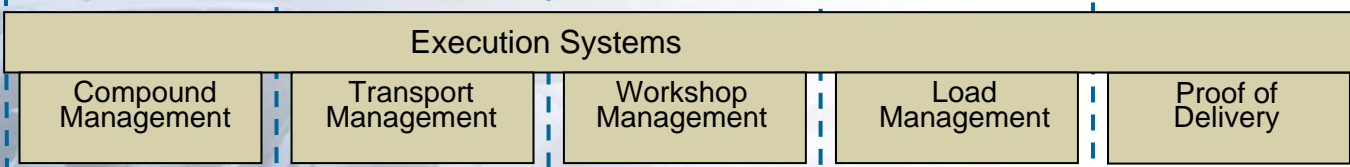
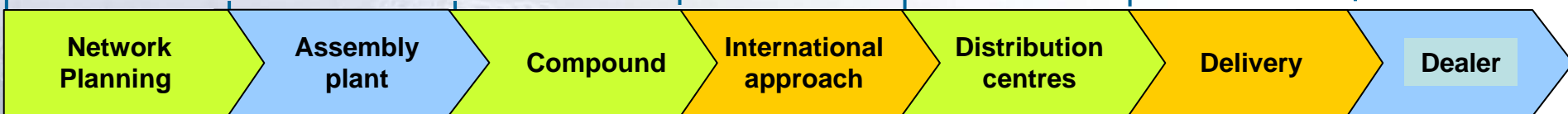
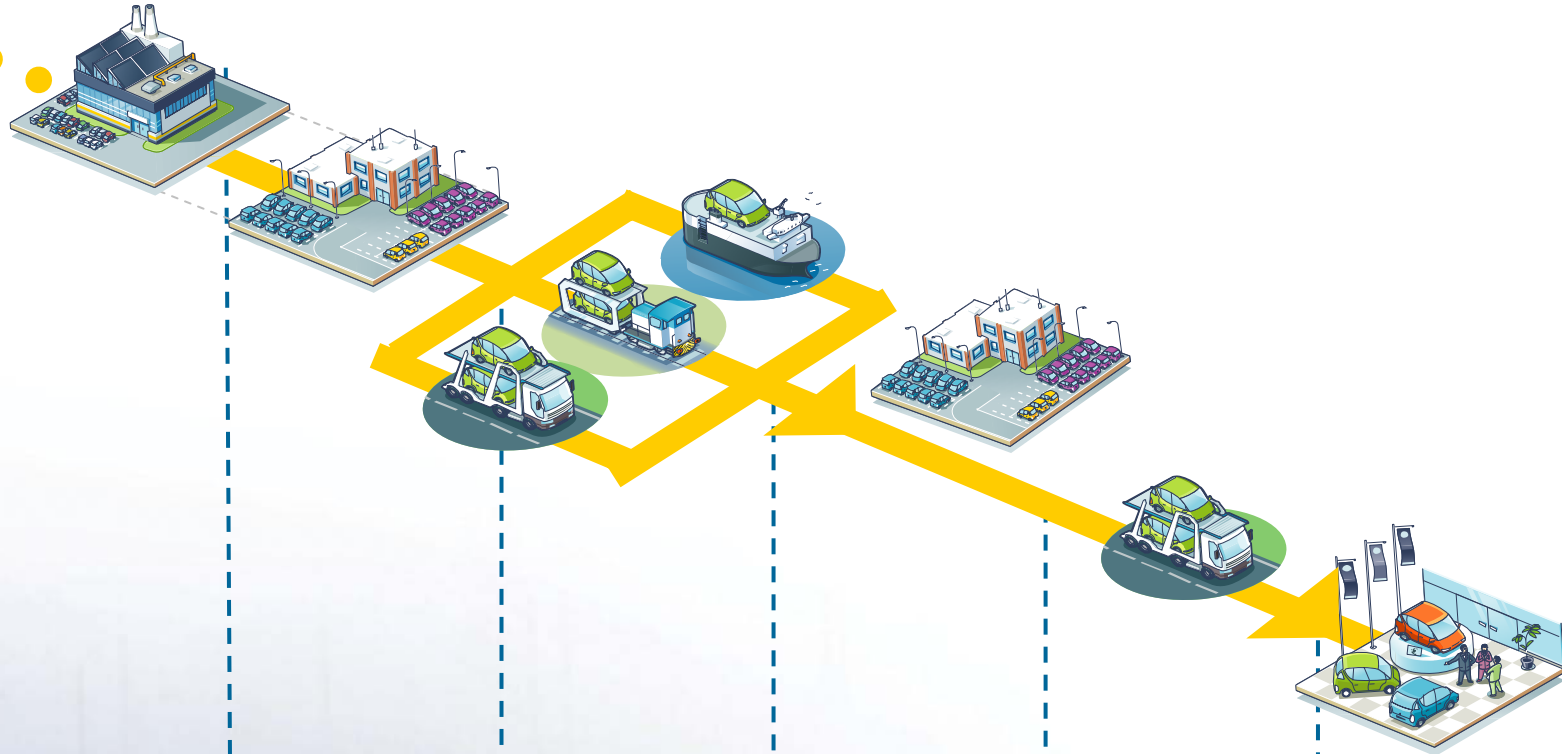
- D'Addario
- Groupe Gueudet
- Reg Vardy
- RFA
- ...

Leasing – Rental

- Avis
- Arval PHH
- Europcar
- HSBC
- Overlease
- Sixt
- Thrifty



Services and Systems Overview



CAT Group Yesterday

- ✓ *3 Divisions*
- ✓ *Mono customer : Renault*
- ✓ *Mono shareholder : Renault*
- ✓ *European scope*
- ✓ *IT Systems*

*Monolithic
Stovepiped*

with :

*Fixed costs / non-transparent
Lack of flexibility*



CAT Group Tomorrow

- ✓ *Focused on Automotive Outbound Logistics*
- ✓ *End-to-End Supply Chain Services*
- ✓ *Multi-customer*
- ✓ *Global*
- ✓ *Multi shareholder, industry shareholders*
- ✓ *IT Systems*

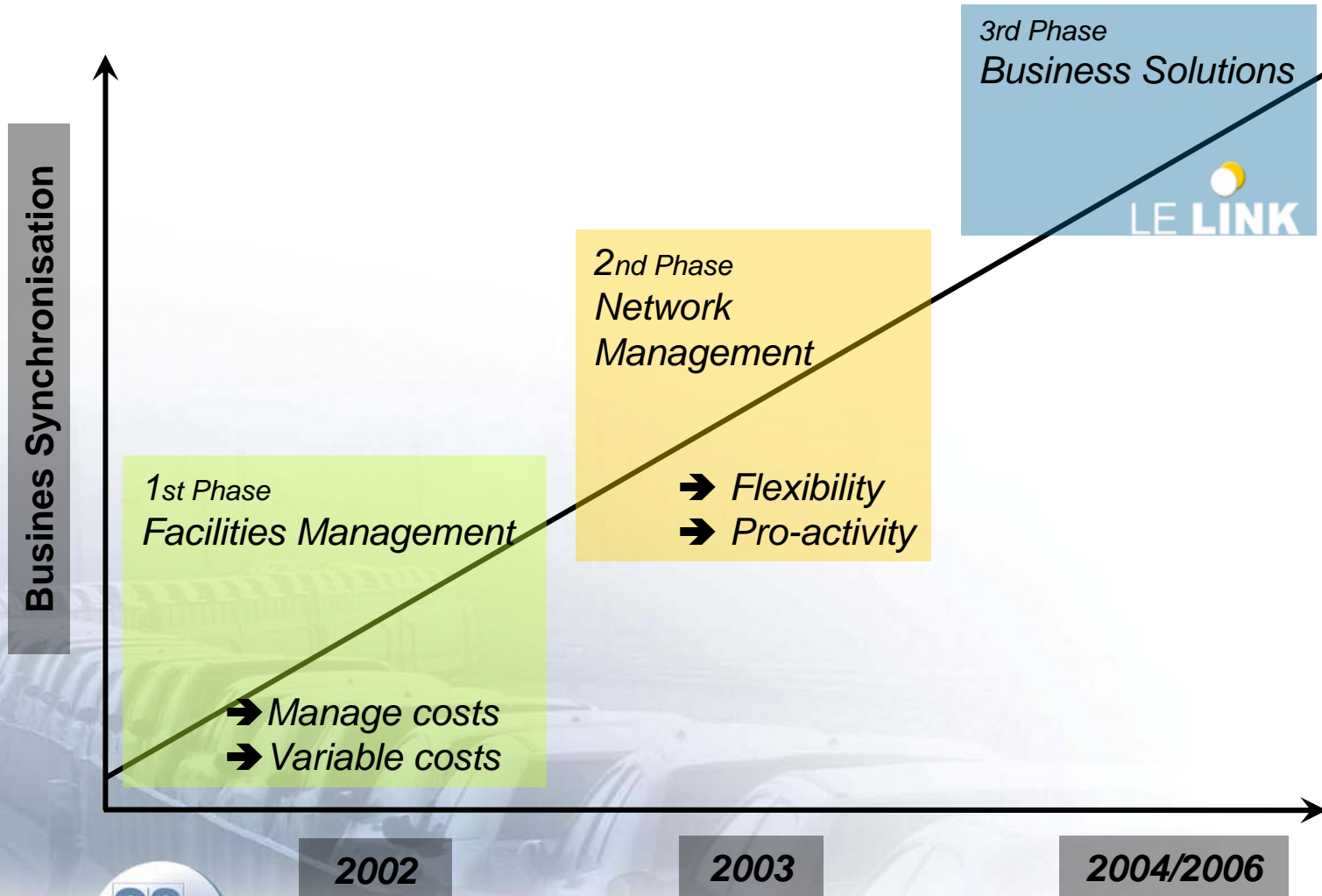
*Synchronised with the business
Driven by the business*

with :

*Variable and transparent costs
Optimal flexibility and Effectiveness*



Plan and Priorities



Objectives of the program

- Secure existing revenues (ensure contract renewals)
- Generate additional revenues through new the capture of new LLP and Execution clients
- Reduce costs by improving operational efficiency
- Improve service quality

Key working principles of the program

- Business improvement needs (for internal or client purposes) are the key driver of the projects
- All the projects :
 - have a business sponsor
 - are under the responsibility of either a business or an IS actor
 - include both business and IT competencies
- Key CAT players are dedicated to the program
- Regular benchmarks take place with competitors
- Key innovations and improvements are presented to clients for feed-back
- Off-the-shelf IS packages will be used whenever possible

Network Planning

Assembly plant

Compound

International approach

Distribution centres

Delivery

Dealer

Execution Systems

Compound Management
DistriCAT

Transport Management
Hermes

Workshop Management
Yardtelligent

Load Management
DistriCAT

Proof of Delivery
SVI/POD

Supply Chain Management Systems

Supply chain design
Solveur

Order Management
CLV

Flow management
CLV + PO

Supply Chain monitoring
CLOE

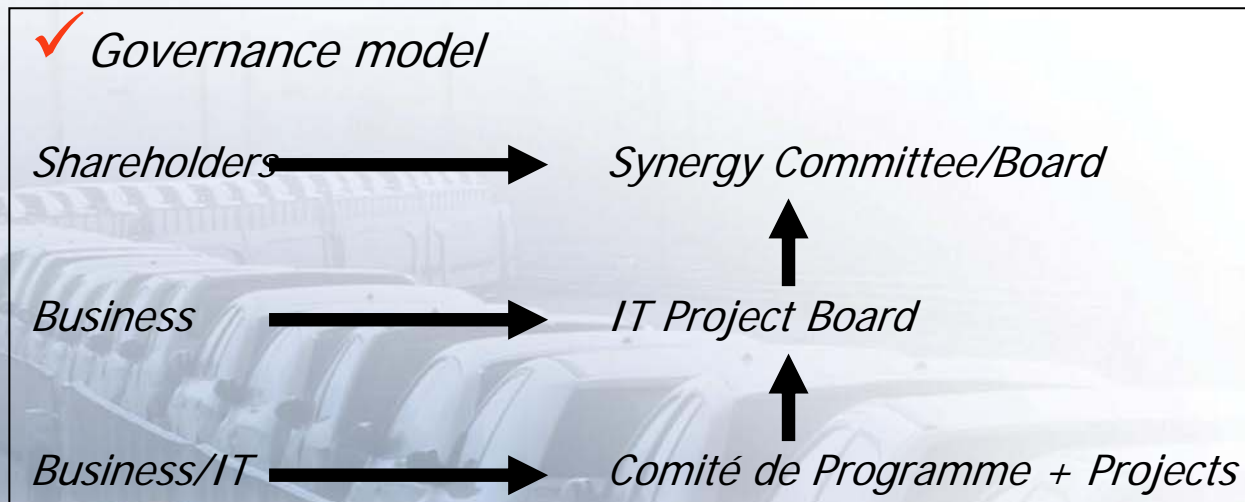
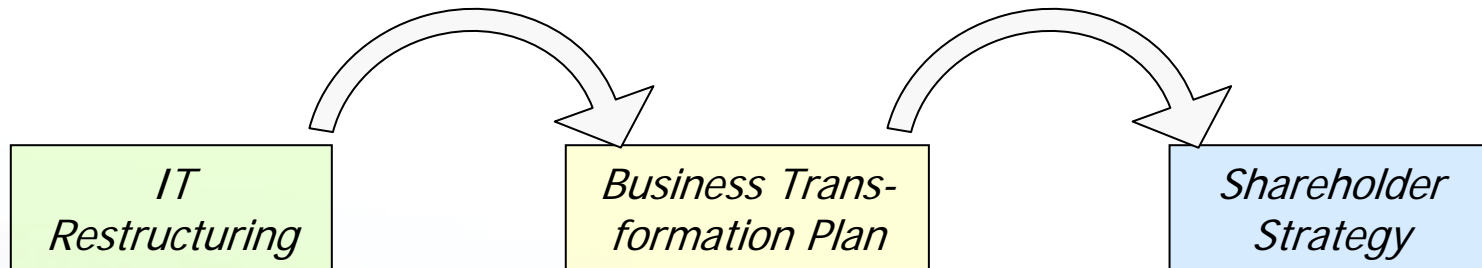
Supply Chain Quality Mgt
Hyperion

Financial services
ATLAS

Dealer support services
CLOE



Strategic Evolution and Governance Model



Accountabilities in the partnership

Business Divisions



IT Division

Business Accountabilities

Cross divisional and cross regionally:

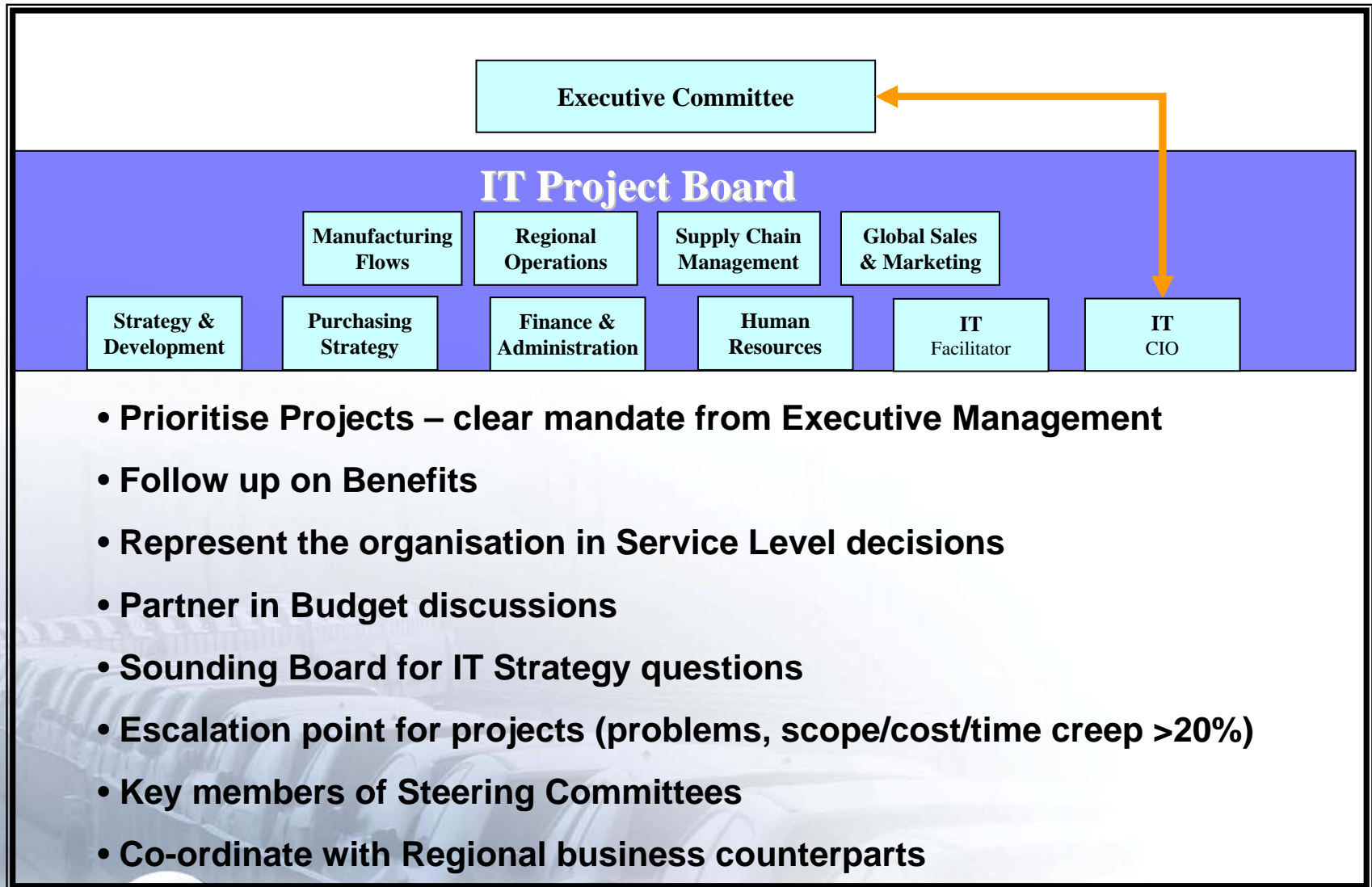
- Develop and maintain the business processes (Process acc/resp)
- Establish rules for information flow and information ownership (acc/resp)
- Establish/maintain plan for business contingency
- Develop system requirements
- Justifications of enhancements and projects
- System development projects sponsorship
- System Implementation co-management
- Ensure Information Quality/Input Quality
- User Training
- System Functionality and Usage
- System Change prioritisation
- Project prioritisation (Business System projects)
- Return on Investment (realisation of justification)

IT Accountabilities

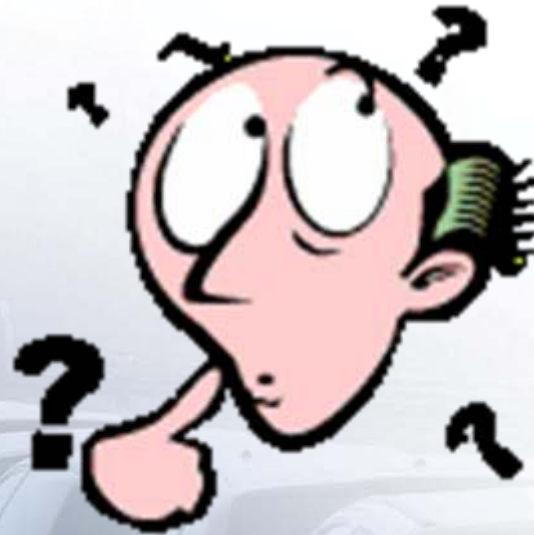
Based on Business Needs;

- Ensure robust Information architecture
- Sustainable and flexible System Architecture
- Reliable and efficient Technical Architecture
- Enable Business Innovation through Information Technology
- System design
- System development and maintenance
- IT system projects
- System Implementation co-management (Technical)
- IT system and service delivery
- IT security and Disaster Recovery
- IT project (internal) justification and benefit realisation

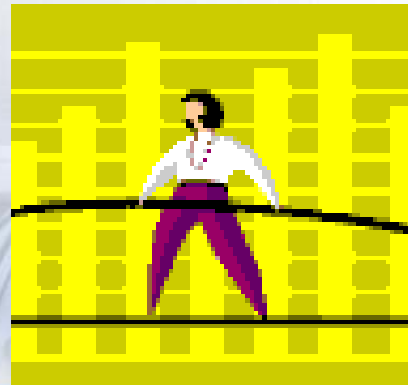




What have we learned?



- ✓ **Make sure that all instances have a real role**
 - ✓ **Avoid talking shops**
- ✓ **Transparent and agreed decision making process**
 - ✓ **Avoid the « coffee machine » or « CEO dinner » scenario**
- ✓ **Cater for organisation changes**
- ✓ **RACI**



Project Life Cycle RACI

Actions	ITPB	Business Management	Business Project Manager	IT Project Manager	IT Operations
Business Specifications		A	RA		
Specification Validation		R	A	C	
Functional Specs/ Solution Scenarios		C	A	RA	C
Solution Choice		A	R	C	
Project Go/No-Go	RA				
Development				RA	
Test		A	RA	A	
Business Processes		A	RA	C	
Technical Roll Out				C	RA
Training Preparation		C	RA	A	
Training		RA	A	A	
Project Management			RA	A	
Project Evaluation		A	RA	A	A

* Responsible, Actor, Consulted, Informed



- ✓ **Empower the business to make technology decisions**
 - ✓ **Make sure IT communicates risks and TCO**
- ✓ **Business Case Approach**
- ✓ **Project Prioritisation is very difficult due to IT or Strategic interdependencies**



- ✓ **Championship by CEO**
- ✓ **Programme Director is a « C » function**
- ✓ **Shareholder involvement (topic in the board)**
- ✓ **Full time resources (the best and only the best)**
 - ✓ **Special treatment, bonuses etc**

