Capturing the Past, Inspiring the Future

David Morriss

Interviewed by

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26th March 2019

At the

WCIT Hall,
32a Bartholomew Close, London, EC1A 7JN
Kindly provided by The Worshipful Company of Information Technologists

Welcome to the Archives of Information Technology, where we capture the past and inspire the future. It is March the 26th 2019, and we are in the Livery Hall of the Worshipful Company of Information Technologists, in the City of London. I'm Richard Sharpe, and I have been researching and covering the IT industry since the early 1970s. I was also an IBM user before that, and IBM was the dominant computer company in IT in this country, eventually, and also across the world. And it was a very unique company, not only in that sense but also in the sense of the culture within it. And a man who has immense experience of that, from 1966 until 1997, is David Morriss, who rose to the top of IBM UK, and also worked in the European headquarters of IBM, which was called EMEA, meaning Europe, Middle East and Africa, which I believe was in Paris.

Mhm.

[01:08]
Very good. David, welcome to the Archives. Thank you for your contribution today. Now you were born in Walthamstow in London.

Yes.

And, what did your father and mother do?

My father worked in the electrical supply industry, initially with the local authority, and then when they were vested into the London Electricity Board, he joined that. And he worked his way up on the administration side. My mother worked for the Abbey National. I think it was just the National Building Society even, in Baker Street, until she had my sister two years older than me, now deceased. So... They were both orphans, which is, I don't know if that's material. My mother's father was killed in 1916, the year of her birth, so she never saw him. All she ever had was a photograph. And my father was sixteen when his father died in an industrial accident. So, both had a somewhat difficult background. Both got scholarships to grammar schools, in the Walthamstow area, Walthamstow County High School for my mother, for girls obviously, and the George Monoux Grammar School, which no longer exists as such, which was a very old school, formed, a sixteenth-century school, where my

father went. Then of course he was in the Army in 1942, mainly, earlier on in the docks, because he was in the Royal Army Service Corps, given his admin background, and then in the East, India, Malaya, so on.

[02:34]
Right. And how did they affect you in the sense of, what values do you think you got from your parents, David?

They, obviously from their own background, they'd place a huge value on education, very very much encouraging education.

They didn't go to university?

No, neither of them went to university, partly because of their background, you know, my mother's mother had to bring up three children on a war widow's pension, so, it was not possible. And in those days, I think even in the grammar schools, very very few saw the university as a way forward, and again, because my father was by then an orphan, he felt he ought to be contributing to the household, rather than anything else. So that, that's maybe why they transferred any ambitions they might have had on to myself and my, I have a twin brother. Anyone in the IT industry who knows us well will know that, and we are often confused with each other, even now. So, a bit of, a bit of fun for us.

What did your twin brother do?

He started... He went from school... He didn't go to university directly. He became an accountant, but a Scottish chartered accountant. Their system was different from the English in that they had a five-year apprenticeship, the middle year of which you had the option for a residential year at university, which he did in Edinburgh. He worked for a firm initially of Thomson McLintock's, and he spent all his time in that field, but he actually, he became a, a partner in KPMG eventually, and specialising in the computer audit and risk area. [laughs] So we converged in one sense, but from different directions.

Okey-doke. So here was your twin and therefore born at the same time.

Well yeah, he's slightly ahead of me. [laughs]

Oh right.

Slightly.

A bit of sibling rivalry perhaps.

Well, in fact we get on very well, which is, some people find...

That's good.

...find bizarre. But no, we do.

And do you look alike?

Yeah, very much alike. Oh yes, that's part of the problem. We even sound alike.

Oh right.

On the phone our own mother couldn't tell us apart.

Really?

No.

So you had to announce who you were?

Yes, indeed, yes.

[04:43]
You went to a primary school in the area?

We... Initially in Walthamstow, and then we moved to Woodford Green when we were about eight years old and went to the primary school there. And that was a very interesting little school, in that, they were an ambitious school if you like, because they had a system of pulling out the, who they saw as potentially brighter pupils, and giving them a two-year run at the Eleven Plus as it was then, with an inspiring lady teacher. And so, my brother and I were lucky enough to go into that. And through that means we got scholarships to Bancroft's School in Woodford, county major scholarships for what it was worth, you know, it paid the fees, otherwise it couldn't have happened. So that was... And of course our parents supported us through that. And that was a big contribution.

Did you enjoy school?

I did. I did. It was... I... Not everybody did I have to say, but we did. We had a lot of sporting interests.

And the name of your brother, we should...

Peter.

Peter.

Yes.

Right. Peter and David.

Yes.

Right.

He was more of an athlete. I was more of a rugby player. So... But we were both sporty. And, another interest... There were lots of interests, but another strong interest for me in particular was the CCF, which...

Combined Cadet Force.

Yes. Yes. So, that was my introduction to the military.

Which branch were you in?

Well we started, the so-called basic section, everybody did that. And then at, after two years you could choose to go, we had a Royal Air Force section, or the Army. I stuck with the Army. And, there, I joined the artillery unit. We had our own 25-pounder field gun [laughs], which was displayed on open days, to either the delight of fathers and the horror of mothers I suspect. [both laugh] We didn't fire anything. We had all the paraphernalia for pretending to fire it. That was fun.

Right. Did you go off to annual camps?

Oh yes. Yes, regularly. Annual camps was a big thing. Yes, I enjoyed that.

And did Peter join the Army side as well, or not?

Oh yes, he, he was, he became CSM I think. But, I got one up on him, because I ended up as a cadet under-officer. So, normally he likes to feel he was in charge, but I could role reverse. That happened one more time historically which we might come to, but, there's a bit of a joke really.

[07:10]
You decided to go to university, or you were encouraged to go?

Oh yes. I... Well encouraged, yes, I mean it was almost assumed that, go to university, I think, you know. And, for... I went to Manchester. It was UMIST, which was in the days when it was part of the University of Manchester proper, then it divided, and now of course it's back together again.

Right.

Historically.

Right. And you studied...?

Electrical engineering.

Electrical engineering.

Yes. Yes.

And, did you have a, a penchant for this, or, this was something that your father said you should do?

Well I think there was clearly some level of influence, I would, I'm sure that's true. I was, I enjoyed physics very much. But I think, the implication of his experience was that engineering's something with a, had a broader, in those days, seemed to have a broad, be a broader platform for building a career. Turned out to be correct, so I can't argue about it. But... But that was a straightforward engineering course. In those days you did a bit of mechanical as well in the early years and then, gradually specialised more and more.

What was your specialism?

Well, I was at that time looking more towards the heavy electrical engineering side.

Right. The power side.

Power... Yes, power-related, broadly. And that showed out when I left, because, I was offered two jobs. In those days you were sought after. It wasn't the scrabble that unfortunately youngsters have today in many respects. And I was offered a job by the Central Electricity Generating Board power group, which was basically commissioning power stations. But then, the other job was, London Transport, the department of the mechanical and electrical engineer. And I did that. I did it partly

because it was back in London, and I had been up in Manchester for three years, and I was quite interested in coming back to London. And, they had an excellent training scheme for postgraduate engineers.

Right.

And, that stood me in good stead actually later on in life. The only downside to that, we were, I was working on the Victoria Line, pre-Victoria Line, so, interesting projects associated with that, something to do with braking systems and then, axle design, and then automatic trains. So interesting areas.
[09:45]
I also did a project which got me into computers really, which was, a group of us were analysing the economic aspects of a new urban railway. So capital and running over a predicted lifetime, how do you optimise the investments. For example, the more trains you want to run, for a shorter interval, the more platforms you have to have at each end to turn the trains round, and, if that sounds bizarre, just go to Stratford and see how many platforms there are to turn round the trains for the Jubilee Line. It's the same principle. And that resulted in a paper that was presented to the Institution of Mechanical Engineers. But I had a job analysing data, and I used the LEO bureau as a user to help in the task of data analysis.

This is your first computer?

That was my first, first brush with computers, was as a user.

And you wrote your own program?

Yes, but I mean it was very simple analysis really. And they did have I think some statistical packages you could, you know, parameter, you put the parameters in basically. I was never a brilliant programmer, I will confess that now. [laughs]

And what language did you have to use for the...?

I, I really can't remember.

OK.

It was a sort of, high level interface program. It wasn't anything sort of basic or...

Right. This was a batch machine.

It was a batch machine, yes.

And how did you submit your data?

Well we sent the cards away, and we got the printouts back remotely. So I didn't see the thing, but I used it [laughs], in a sense, OK.

Right. OK.

It was only when I became an IBM systems engineer I got my hands on one.

Right.

Yes.

[11:21]
And you were two years at London Transport.

Yes.

There are two things about it that probably are quite interesting. It seems to be doing a lot of its own engineering...

Oh yes. Then it had...

...London Transport, rather than, other engineering companies do it for them.

Yes. They, the... In those days, the department had its, Acton works was its main base, and they maintained all the Tube, effectively rebuilt them every so many years, on that site. And, there was also a research and development area, and that's where the design office was. The chap I worked for after the basic training was called the traction engineer, that's all the systems to move the trains, the motors, and stop them, [laughs] the brakes and, and all that stuff. And that was where I ended up on automatic train control.

And did they move you around in those years?

Oh yes. Yes, you had to, once you had done a sort of basic introduction through the apprentice shop, a bit like the Army, right from the start you have to, you have to know what the people you are potentially going to manage have done on their way up, which was a very good principle. And IBM did it as well. And therefore, you were in a better position to adopt a managerial role later on. And then, you went to different departments for, six weeks, a couple of months, and at the end you had to write a report for your supervisor with your comments on it and anything you felt might improve it. I'm sure they all ended up in the bin, but [laughs], it was a very interesting thing, and absolutely perfect for when I became a systems engineer. That's exactly what I did, except adding the computer bit at the end solved the problem.

[12:58]
And did you enjoy that...

I did.

...those two years?

And it was very, it was good, a nice bunch of people that I worked with.

And you were based in Acton?

Yes. I used to get the Tube from Woodford to Acton every day. But of course, it cost me nothing, [laughs] being an employee, so... And in those days, commuting was seen as the norm, you know, it was, no such thing as working from home or anything like that.

No. No.

And then, the automatic train thing was based at Hainault depot, which was much nearer where I lived, so that project as a home match, you know.

[13:31]
Why did you move, in 1966?

Yes. Well, it was, two or three things really. The... Very early in my days with them as a, you know, graduate engineer, and you were supposed to use your brain, I was given a task which had traditionally been done by Grunt analysis, and I thought, engineers, you should think of a better solution. So I, this was designing the parameters that allayed to the specification of the braking systems on the Underground train. And, I found, I developed a graphical method for solving the problem. And my supervisor was quite excited, he said, 'Oh,' you know, 'we'll go and show the deputy chief mechanical engineer,' who read it with apparently great interest. He said, 'Yes, very interesting, but I think you should go and do the calculations.' [laughs] saved me nothing at all, and didn't impress me with a reception of innovation, but then at that age, you've, you know, a conquer the world view haven't you. But then later on, when I did this project for the, the paper that led to this study being introduced to the wider world, they ruled I was too junior to be shown on the team. There was a team of six, and I was number six, and normally in an academic paper you would show everybody who had contributed. And my own colleagues were very angry about it. But it sort of, didn't help my view of, of the future. And then of course, it was not clear when the next new railway was going to be built by London Transport, because, the Jubilee Line was not even thought of. So, at that... And I wasn't a train lov-, you know, I wasn't... There are people who are in love with trains, and it wasn't me.

Right.

I mean they were a means to an end jobs. So... Then I saw an advert in the paper for this, I didn't k now who they were, but it talked about the sort of backgrounds they were looking for. You had to be 25, you had to have, I don't know, four years' industrial experience. Whatever it was, anyway, I met none of the criteria. So as you do, I applied, and they gave me a job. And I was there for 31 years after that.

[15:35]
Where did you apply to?

Well it was a central place, and I was interviewed by Personnel. And then they, when I joined I was posted to a branch, one of the branch offices in Birmingham, and they were dealing with four major, well, now, segmentation, manufacturing accounts. So it was Rolls Royce, Tube Investments Group, GKN Group, and the National Coal Board, who were, because of the scale. And I worked on the group with GKN originally, who, who were a string of, in the main, smaller companies, specialist companies that had been aggregated over the years, and they were computerising them progressively in the different fields. So that's when I started going out on the road if you like, and doing what they called surveys, which is exactly the thing I explained I was doing, although I didn't realise it in my training [laughs] at London Transport. But at the end of it, you had to estimate, and it got, it wasn't that difficult to get it right, the size of computer they would need, the amount of storage they would need, et cetera et cetera, the sort of systems, the processes they would need to go through. And, so that was, you know, it really fitted very well to what I had done up to then. And they added, obviously IBM added all the computer bit on. Training was amazing. That was a great strength of IBM. You never stopped training, it didn't matter what level you were. My boss, Cassani, we talked about earlier, he used to go to Aspen conferences, that was part of his career development. And he in fact ended up as the Vice-Chairman of the main board of IBM, higher than even Jacques Maisonrouge, who is probably more famous, ever got to.

Yes. Yes, well Sir Anthony Cleaver thought that he was going to go to Burroughs or to IBM, and Burroughs said, well, what will I... They asked him, 'What will I be

doing, you know, basically, on the first few months?' And they said, 'Well, you'll be talking to customers and selling them computers,' Burroughs said.

Yes.

And IBM said, 'You'll be training.'

Yes, absolutely.

'You'll be training.'

You'll be training. Yes.

And, he became a trainer as well.

Yes.

[17:43]
1966, interesting time.

Yes.

There were about 30,000 computers in the world by then.

Mhm. Right, gosh.

And coming on stream was an immense gamble that IBM had made, millions and millions of dollars, completely, a complete range of computers integrated, plug compatible as it was called...

Mhm.

...so the peripherals could be changed and so on...

Yes.

...called the 360 Series.

Yes.

Meaning, the full spectrum, the 360 Series. Which was beginning to be manufactured in Europe, partially in Havant, down in Portsmouth, and being rolled out. And it was something that had really erected IBM as really the leader of the computer industry in the world.

Mm.

But it was not only in those mainframes; it was also interestingly in some smaller machines, the IBM 1130. I don't know whether you remember that.

I sold one, when I became a salesman.

There you are.

No two, I sold two. Yes, we'll come back to that.

There you go. That had been launched in 1965.

Yes.

It was also, the year before was when Digital Equipment launched the PDP-5.

Mm.

So we had minicomputers coming in. And we had one of the perennial crises in the British computer industry, as then we will call it, in ICT, there was a cash crisis in 1965, because, they were spending an awful lot of money developing the new 1900 Series.

Mhm.

So, we have this established computer company called ICT, later to become IC, and that has Government business, lots of industry, lots of local authorities, lots of insurance. Not so many banks. And we have now IBM coming in with this new range, the 360 range. And you are sent to a branch in the Midlands, in Birmingham, which is looking after manufacturing.

Exactly. Yes.

Not necessarily, at that time, a big market for IBM, was it?

No. But I think they saw the potential. There was big potential. And also, there was a base, pre-computer, of unit record machines, you know, printing calculators and so on. And so, there were punch card systems.

Right.

So the concept wasn't unknown. But the costs and the speeds were disproportionate.

Yes.

And so, yes, a lot of them couldn't afford it. But the affordability obviously changed with the new computers.

Yes.

And... But because of the training side, we were given significant training in the, the processes of the industries we were serving. So you didn't only learn about the computer, there was industry specialisation, and that made a huge difference I think to the ability to talk to your potential customer. They quickly found out that you had some idea what it was about, rather than just coming in and saying, 'This is the way you do it.' I can't... I'd better not mention the name. Tried that later on in the

consulting arena, and it didn't go down too well with quite a few potential customers. They knew the solution, and walked in to tell them, but...

[21:00]
What was your training then... So you had specific industry training, in manufacturing presumably?

Yes. And, you trained, as a trainee systems engineer, you went through a series of courses, and then, fieldwork interspersed. Very similar to the military, it's incredibly like a military model. And then, you would, there was a technical stream obviously, the programming languages, and how to calculate the storage requirements, and speed of, likely estimate, speed of a computer program, therefore what sort of compute power you might need, storage, all these parameters of a system, you'd be taught to, to estimate those. And then work with the salesman who would cost it up and write the proposal, with, you would do it jointly, but he was responsible, there were very few lady salesmen in those days, to... There were plenty of lady systems engineers, which is often forgotten. There were, women were very early involved at that level in IBM. And, so we would do this. And it took about fifteen months, I think, the whole training. And the final training was a six-week residential school, where you had to pass out so to speak in a range of subjects including your industry module. So if there were finance, it would be generic in terms of the composition, but there'd be a stream of, manufacturing and finance, whatever. And so that...

Six-week residential course?

At the end of having done...

Where was that?

That was... We had... It was a hotel in Paddington. It wasn't luxury [laughs], sad to say. But, it was also, it was cunning psychology, to get you used to the fact that, your, your contract wasn't nine to five. You did the job when you had to do it. So there was a lot of night work and all this. And of course, in those days, to test programs or whatever, you often had to do them at night because it was the only time

you could get on a machine. So they, they were instilling in you the sort of world you were going to be working in. So it wasn't a surprise when you did it with customers, you know.

[23:07]
And they instilled in you something else I believe, because, IBM was a really unique culture. It had brought this culture from the United States, which had been developed when IBM was a tabulating machine giant, and its, well its founder really, Thomas Watson...

Tom Watson, yes.

Thomas J Watson. And he had brought some of the ideas that were in NCR...

Mhm.

...and also I believe the Endicott Shoe Company.

Mm.

And he had a very paternalistic idea. And during the Thirties they didn't lay people off, for instance.

No.

And, it was almost cradle to grave. Did you get a sense of that when you entered the company?

Oh yes. I mean, they taught it. And it was quite well known outside of IBM, but, everyone was surprised we weren't taught to sing company songs. That didn't happen in the UK company that I joined. We never even saw the songbook. However, the ethic side, the behavioural side, was stressed right from day one, and in managerial training it was highly stressed that, the terminology, the company respect for the individual; in terms of dealing with the client, honesty, you know, not knocking the

competition, et cetera: they're good but we think we're better; not, they're a load of rubbish, you should come to us. That was... I mean this was instilled right from day one, and, I, I liked that. The company had a Christian background, and I thought working for a company with ethics like that, I feel really at home here. And it would be a lie to say that every member of IBM lived up to the code, of course they didn't, but the vast majority did. And that made it a nice place to work.

But it was a very un-British culture.

Very. Oh yes. Because... And I had no idea of course, as I said, I didn't know who they were, except they were in the computer world, and, but when I was interviewed, again they talked about training you in the job, and I had just come from a background where I had benefited from that. So, it was good. And I suppose they, in the sense that they, they probably quite liked the fact that I had stuck my nose over the parapet, and, was prepared to go and do the work they wanted to do anywhere and so on. So, it fitted very well. But no, the training in a culture, deep... I mean there was a thing this thick called the Business Practices Manual of things you could and couldn't do.

Over an inch thick.

Oh yes, it was, definitely. It was... And, obviously you can't link all that. But, the fundamentals were made very clear. And the service ethos, that was the other thing. Your customer comes first. And if it inconveniences you, and sometimes it did, made life... but you, the customer had to come first. And that's what you signed up to.

[25:55]
And so, ICL – I'm sorry, IBM, is now expanding quite rapidly.

Yeah.

It's beginning to recruit a whole cadre of young men and women who have done pretty well at university, would otherwise have gone into other British technology companies possibly, but they didn't, they went into IBM, and they were trained in this type of philosophy. So you had then the trainee position.

Yes.

And that was for about, what, two years?

Fifteen, eighteen months. Then you became a, an associate systems engineer, was the next level up.

Right.

And then, that didn't last that long really, and then you became assistant engineer. I... The company were interesting, because, after a while I moved, 1969 I moved from Birmingham to work in the aerospace industry unit, which was, there were two areas, one was based in Welwyn and the other one was based in Bristol. Because you had the Hawker, English Electric, all the Stevenage stuff and so on, clusters, up there, and Hatfield. And then, we had Weybridge for British Aircraft Corporation, and Kingston, another bit of Hawker's. And then of course Bristol. And, the Bristol and Weybridge, and the guided weapons division by then of BA, British Aircraft Corporation, were dotted across that geography. So we had a unit there, looking after that. So it was a big switch.

And was that a branch?

It was... No, it was a unit within a, a manufacturing branch in Welwyn. Because they also had automotive, customers like Ford and General Motors in Luton and Bedford and so on.

[27:42]
As I understand the structure, although the structure often changed in IBM, there was something that was pretty well permanent, and that was 'the branch'.

Absolutely. Branch... It's hard... It's... The branch manager, who was the lieutenant colonel role in IBM, you, it was your, your thing, you know, and you had a... And your marketing units were your squadrons or companies, or batteries, whichever arm

of the service you want to be in. And... Not in size obviously, but in structure and concept, the models fit very well. And, so, yes, it was an operating unit. The branch manager had significant responsibilities, including living up to the culture. [laughs] You didn't want anything nasty to happen in your branch when you were branch manager.

Right.

But, yes, it was a branch, and it was in Welwyn Garden City, because it…..

You may move from branch to branch.

Oh yes.

Right?

Oh yes, I moved from the special accounts branch to the, this, the manufacturing branch in Welwyn, where they had three units, automotive, aerospace, and then a general one, because there were quite a few manufacturing companies all dotted around, and they stretched right out into East Anglia. We had a little unit in Norwich, an outpost there.

[29:02]
Another part of IBM which was very important was the personnel department.

Mhm.

Where you were, it seems to me, your career was somewhat plotted for you. Maybe you didn't know that.

Mhm.

But they had an idea of who you were and where you were going to go quite early on, it seems to me.

Well I think you're right. You only find out later. You're right, there was, there was a sort of watershed for me when... When I was in the aerospace unit, when I joined them I was a youngster, a young systems engineer, I had been in the company three years, and I was sent to the Welwyn group, and, it's typical IBM where they, I was now living in a much bigger corporate environment, much bigger systems, I was using things like the Model 20, Model 30, in that first set of jobs. These are much bigger beasts. And, so, much more major systems stuff. And, they had specialist systems engineers who were in manufacturing processes and applications and so on. And, after a, for some reason I don't know, after three months, said, 'Right, you're the team leader.' Now in IBM that, that wasn't that unusual. I was surprised. But, the senior guys were dedicated to their, you know, like consultants really, that's what they wanted to do. They didn't want the bother of doing the work, interacting on schedules and whatever with the customer and all the rest of it. So, they, they asked me to do that. And then, after a while...

This was really your first role in management then is it?

Well it's not really. I mean it's sort of, lance-corporal. [laughs]

OK, but...

But, no, you know, it was... But it was, it was a control job, yes. I was... And I worked very closely then with the salesmen, or, the manager of the unit was a chap called David Livermore, who, we grew up in IBM together basically, OK, quite well-known in the industry of course.

Yes.

Another main board director. So we, we worked closely together. And I had worked with the clients and general management and so on, which was, again, back to my penchant really, is making the things work, to solve a problem, be it in Government, industry, whatever, that's the engineering side really. This is a great tool; how do we make it work in these circumstances? So that... And I'd come back to that if you like,

which was really interesting. And, so, then they made me a national account manager for British Aircraft Corporation.

How many years had you been in IBM when they did that?

[pause] About, four or five. Not long, you know. And then I had responsibility for all the sites across the country.

For, British Aircraft Corporation.

British Aircraft Corporation.

A very large user.

Very large. We had, we had... What got added on really was the military aircraft division, which was based mainly in the north, Preston and Sarisbury, though they did have stuff at Bristol as well. So Bristol was a multi-site, and, Stevenage was guided weapons, that was it, and then, Weybridge was aircraft basically.

[32:21]
Were you the... Was IBM the only supplier to BAC?

No. On... No no. ICL were in there, mainly on the design side. They had a 1906 and 6A in the design site, and, but all the manufacturing and commercial stuff was on IBM. And that...

On 360s.

On 360s. And then... But guided weapons were all IBM, as were, military aircraft. There was some ICL at Filton as well. But the, it's interesting, the background, because of, you know, English Electric, became part of ICL, having been partly up in Stevenage, but by then, they were firmly anchored to their IBM systems there. People tried to knock us out of course, but, that was life, but...

Who did you sell the 1130s to?

Ah, well, one... When I was doing this job, the beginnings of this job as national account manager, it was looking like a thin year in IBM, so I was given two other clients to, to deal with. One was a company called Solartron, eventually bought by Schlumberger, and they were building devices to train military in missile defence systems, but no one could afford the missiles to fire to learn how to fire them. [laughs] So they, they were Solartron, who were an ICL customer, on their manufacturing and design side, they, they, I sold them an 1130 to build a, effectively a simulator on to, to solve that problem. And then the other one was a, actually a GEC company but they were in Cambridge, not far from us obviously in Welwyn, and they needed a machine to link to an electron microscope for metallurgy research. They had a research laboratory at a place called Hinxton Hall. And that machine went in there. So, quite diverse applications obviously.

Yes. And the 1130 was a 16-bit, basically a minicomputer.

Yes.

A single program minicomputer.

Absolutely. It was quite a nice machine. There's one in the TNMOC I notice. [laughs] Made me feel old when I went up there recently. But, yes, it was a nice machine, relatively easy to, to program and... Because, I had by that time learnt FORTRAN and PL/1 and assembler, and, we picked up these things. But not to the extent I'd see myself... My job was to help programmers as a, you know, a, a friend at court, you help, they were stuck on debugging a program, you'd go through it, and, fresh eyes was normally the issue. You'd see a discontinuity that they overlook, because they're so familiar with what they've done. Whereas, you weren't really a great programmer, but you might be able to copy write, and, you know. So that was it. I enjoyed... And, we work... The clients, it was a very interesting world, because we were much younger than the clients we were dealing with at the managerial level. The programmers tended to be more or less, similar ages to us, but the management structures tended to be... But they somehow got used to it. It caused problems in

VAC for them, not for us, in another way, in that they, being a technical company, they had aerodynamicists and stress people and all this sort of thing, and, the sort of money they had to pay software engineers, who they needed, was significantly higher than the traditional trades and crafts in the air... And this caused quite issues for them on the personnel side. So...

Because they would have been, will they will have been unionised companies.

Oh yes, very much so.

And IBM was not.

No. That never... Because, London Transport was unionised.

Yes.

Yes. And we had to be members of the Transport Salaried Staffs' Association, that's what it... Yeah, that's what it was. But, the... Nobody seemed to mind. Never, never had an issue, dealing industrially, you know, just, it didn't come up, you know.

[36:35]
Mm. OK. 1970 IBM launches and ships the next generation after the 360 called the 370.

Yes.

Not a lot of imagination there. But something else comes along, which is a bitter thorn in IBM's side for a while, which is, one of the original designers of the 360, a man called Gene Amdahl...

Yes.

...who broke away, and, with the help of Fujitsu, developed his own high end mainframe, the Amdahl.

Yes.

And that was plug compatible to IBM.

Yes.

So, previously, there were companies like Connex and Memorex who were making tape drives and disk drives, and line printers and so on, and you could put those onto an IBM processor.

Yup.

And now the very IBM processor itself, the very citadel of IBM's power, was under attack from this...

Yes.

...this wonderfully engineered mainframe. How did IBM deal with that?

Well, it was, a big challenge obviously. And, I think, the, the real defence was the success in performance of the service ethos. People respected the service. There was the old, the old thing that went round, you never get fired for buying IBM. And it wasn't the machine. It was the fact, as I said, the customer always came first. And, and I think that, customers who were very highly dependent on their machines, commercially, made the decision that the alleged saving wasn't worth it. I think that's the only... If someone had a thing which was fundamentally to them the calculator in the corner, I think then, they did buy them. I did have one or two, in later life one or two other companies look seriously at Amdahl, but they didn't buy them, fortunately. I had a different challenge at British Aerospace when UNIVAC offered to supply a computer for nothing, until... to... to let... I don't know how...

Wow. How did you find that out?

All I said was, 'Well, if it doesn't work... You know, it's your risk. If it doesn't work, how are you going to recover from it?' A perfectly fair question. Because, they would have had neither the expertise or whatever. And, the, the guy who made that ultimate decision was George Jefferson, who became the first chairman of privatised British Telecom. He was then in guided weapons. And... There is a story why I think we were successful there as well. As we launched the 370, and so on, obviously we'd got this enormous changing compute power, and the prize performances going this way, and so, you've got an exponential growth of usage to develop in the client, in order to, almost to stand still, certainly to grow. And, we went away, a group of us, they were all aerospace companies, and they did it with other industries, this was a pre-planning exercise for the launch, so they had thought about these things. We went to Brussels, where they had a place before the facility was online, we went over there, and, you had to prepare material to take to the managing director or their equivalent in other countries of your customer to interest him, you know, in expanding his computer use. And, I went with my two top, three of us went over, and we worked on this. And then we had to present to each other at the end of the, the session, because we were all aerospace groups, in case there was any cross-fertilisation. And, I think this got me into trouble. Turned out to be good trouble. But trouble, because, this was an educational, the people running it were, you know, trainers, not commercial directors or anything like that. Anyway, the Germans came in with six bundles of stuff, and then the French came in with seven bundles and a copy of Proust or something at the top. And the Italians came in with printout whatever. But, I came in with two pieces of paper. This is a true story, true story. Peter Morgan, who you may have met, or interviewed him, could vouch for this one. And, guided weapons were in a very interesting position, because they were very much a supplier to the British Government, but they were getting to a position where they had to develop an export market. Now the commercial model for the British Government was cost plus, which is no incentive to improve of anything. On the other side, you had to fight a price war with your competition, therefore you needed the absolutely opposite mechanisms in the same factory at the same time. That would be bad enough, but, it was going through a technology change from electromechanical, electronic, into sort of computer driving. And all I did was list all the projects as they were, in whatever state. So, there'd be very early ones or in development, the last ones are in product support, of various different missiles, and

then, just plotted three years ahead, extrapolating, what would they look like in three years' time, following this path? And, therefore, what were the issues that would drop out? And, bearing in mind, if you've got half an hour with your intended target, you were lucky. [laughs] There was no chance of reading through this pile of manuals. It was crazy. Anyway, the IT director, he wasn't called that, but that's what he was, that's modern speak, he took it to the CEO, who said, he said, interesting but he was busy, you know. Anyway, a few months later I got moved on from that job, a promotion inside IBM, and he, the guy who was the IT guy said, he wasn't Sir George then, but, 'He wants to take you out to dinner and invite your boss's boss,' and he came along obviously, which was very nice of him. And he said, 'I want to say in front of Peter Morgan,' who was my boss's boss then, 'that, I should have done, paid attention to that presentation you gave through Brussels, because,' he said, 'that's, I've struggling with that ever since.' So, this was, this is my engineering view, it's nothing to do with computers really, but, may be a lateral approach to problem solving. And... But, I ended up not that long later as a corporate planning director [laughs] in IBM UK. So, you know, and there was, it was a... There were things I like to do which could help the customers which were not necessarily just textbook.

[43:41]
Sure. Sure. One thing that was used, that was said by competition, like Amdahl, that was used by IBM, was, fear, uncertainty and doubt.

Absolutely, yes.

FUD.

FUD, yeah. Well, the, fear, uncertainty... There are... I mean you're not going to...

You use FUD to get rid of UNIVAC.

Well, all I... I just, just pointed out that, their operation was critical. No one wanted to take a risk with it. And, the, the IT director didn't want UNIVAC. They had come in over the top.

Oh right, I see.

Through the old boy network. It's the last thing he wanted. And I don't know what he took out from that conversation, but UNIVAC didn't come in.

Right.

I can't answer for what he turned it into.

OK.

But I don't think my position was unrealistic, even in IBM's terms.

[44:31]
This also introduced a red mug...

Yes.

...called the million dollar mug...

Yes.

...which the Amdahl salesman would leave with the DP manager, as they were called...

Yes.

...so that when the IBM salesman came in, he could see that the Amdahl salesman had already been there.

[laughs] Yes.

And so the price dropped, the IBM offer, by a million.

Mm. Well it didn't happen like that.

It didn't quite happen like that?

No, because, the mechanisms for pricing were fixed.

OK.

There was never... The only area that got discounts, were available to all in a sector, was education discount, and that, I'm sure other companies did the same thing. But that was not a big market for us anyway. But no, you couldn't do that. That is one of the no-no's, you know, it's one price fits all.

[45:22]
Something that had allowed Amdahl and others who came in with processor, plug compatible processors IBM, to actually do it, was, in 1969 IBM unbundled hardware and software.

Yes.

So it started to charge separately for software. So the Amdahl user could then rent an IBM operating system to run on Amdahl.

Yes, that was imposed of course, the consent decree in the US, as...

Yes. Yes.

Because up until that point we had just leased the machines.

Yes.

In fact the contract, interestingly, was for IBM machine service. So the word service was actually in that contract.

Right.

Not just the kit. And so that was underpinning the attitude.

Yes.

And that was forced on IBM. And of course it developed this independent software industry and then ….

[46:14]
So from 1970 onwards really, you are also being tasked to sell software.

Yes. Abs-, yeah, we were. Now we were doing it already on the application side. We had packages for manufacturing and so on which were part of the offering. And of course they would run also on, on Amdahl, or any other plug compatible.

Yup.

But again it was, I think, the old story, why do Louis Vuitton sell suitcases, or, whatever, because, when you can get one for a tenth of the price in TK Maxx? Well there's something about that that the customer wants.

Mhm.

And, they've done it by brand... Our brand development was fundamentally the service ethos. I think that was, IBM did stand for service. And, if you were a dynamic customer, it wasn't worth it, to take the risk. Some of course hedged their bets and had one Amdahl and two IBM processors, so they, you know, keep, to keep you on your toes sort of stuff. There were one or two like that. But in the end, of course, it was, it took out a lot of time, it did, you know, the sales force were diverted in a lot of defensive activities. But at the end of the day, yes, they may, they built a business, and friends left IBM to work for them who I still know. And... But, we survived. On that front, that didn't….

Well IBM survives and Amdahl doesn't...

Exactly. [laughs] Yes.

...is the answer.

Yes.

[47:41]
Yes. 1971. We will move on, don't worry.

No, carry on.

Because you have a, you have a tremendous career in front of you. But I just want to get some of the underpinning established.

No, that's fine. Hopefully... That's where we are.

In 1971 IBM launched the 3270 display.

Yes.

Now this became the workhorse of interactive computing, did it not?

Yes. Yes it did. Yes.

For commercial, for scientific, for manufacturing.

Yup. It was...

Versions all over... You had versions that could go onto shop floors.

Yes.

You had versions that were OK in clerical functions and so on.

This was quite an interesting thing, because it also changed the way you worked with a customer. Because, you were working even closer with users. Now we were quite lucky in some of the big accounts, like British Aerospace, where we were, allowed's the wrong word, we were encouraged to work with users. So, it was a team effort, trying to solve whatever problem. But when you brought something that literally sat on their desk, this made it a more immediate, if you like, relationship. So it did have the effect of broadening the network if you like, the reach of the network. And I'm sure, it obviously wasn't designed for that purpose, but that was the sort of psychological impact.

And it needed a very interesting and tricky piece of software which is hardly ever mentioned in the history of the software industry, but I, I thought it was very important, called CICS, CICS [pronounced kicks].

[laughs] Yes.

It's a teleprocessing monitor. And it basically turns a mainframe into something that can be interactive.

Yes. And it's the fiftieth anniversary this year.

It's still going isn't it.

It is. It's till at Hursley, yeah.

Yes, they changed, they moved its centre of development from the US to Hursley in Hampshire.

Yeah, indeed. Indeed, yeah.

A lovely building, which, in which the Spitfire was partly designed.

Absolutely, yes. Frank Mitchell was there.

Did you ever have the control of or...?

No, not of Hursley itself. I mean, we used to use it for, amongst, because of its situation and everything, for very senior level courses once a year, Eddie Nixon would host the courses, and his peers, so might be the chairman of Shell, or a bank or whatever, a group of maybe ten or twelve, with about four IBMers, other IBM directors would go to give them... And it was quite popular with industry leaders, it gave...

I should think it was. It's a lovely place.

Yes. But they got a lot out of it.

Yes.

Because they, they wanted to feel more comfortable managing this stuff. That was really its object.

[50:10]
Also in this period... We're not out of your first ten years yet.

I'm sorry. Yes.

No no, it's fine. In 1974, IBM launched something which recognised that there needed to be an architecture for these new type of networking processes going on. Systems network architecture for telecommunications.

Yes.

Which had a particular protocol in it, an IBM protocol, SDLC.

Yes.

And a way of always working your network.

Yes. Well this was pivotal in a sense, although I had, probably didn't realise it till afterwards, for my next career move, which was in 1974. And I moved to become the manager for two of the London clearing banks, in London. So a complete change of industry base, from manufacturing and leading edge, with aerospace, certainly rightly regarded itself as leading edge in the manufacturing area, and, into London. We had two branch offices in London, because there were... I had Lloyds and Barclays worldwide, because they were, both had overseas, and we were expanding overseas at the time, which was interesting. And then, NatWest and Midland as they were then, and Williams & Glyn's still existed, were in the other branch. And so, that was my change of path. But, really, those banks were going through an engineering revolution, because that's when you went to nationwide banking, a huge explosion in the number of clients, so explosion in cheque volume, so we had very heavy equipment doing cheque sorting for example. But then...

You were up against Burroughs there, weren't you, mostly?

Yes. Although we seemed to, seemed to be quite successful, you know, MICR code reading and all this stuff. So, the technology didn't change, but the machines, I think they were, they were, how can I put it? They... Burroughs just sort of, it sounds terribly disparaging, it's not supposed to be. They just sort of, faded out. You know, you didn't really come across them, these very high end projects, any more. But then, you had the networks, which were, SNA networks, which had challenges in itself, as, we had to develop. They had their first cash, online cash dispensers. All of that. And, so, I was moved to be... My branch manager, that's my, that's your breakthrough promotion really.

[52:41]
There you are. You're branch manager.

Yes.

What age are you now?

Thirty-two.

Ooh. Now, you're this lieutenant-colonel

[laughs] Yes. Well I use the analogy.

No no, sure.

Yeah.

Sure. So you have your branch.

Yes. Yes.

And you've got your marketing people.

Yes.

And you've got your systems engineers.

Yes.

And, you of course, well you report upwards to...

Tony Cleaver.

To Tony Cleaver. A man who has just, helped to develop the first cash dispenser machine.

Indeed. Yeah, he helped the development. I got stuck with the installation challenges. [laughs]

[both laugh]

Which was, it was... We... It was a fortuitous thing I think on a personal level, because... Well, Tony was brilliant. He knew the customer well, he gave me the space to do the job. I know he, he had done the job previously, he had been in, there had been someone in between, but he had, had that, effectively that branch. And, he was now sitting up, four floors up in Basinghall Street tower, as the Regional Manager. And... But he was very supportive, and, always got on very well with Tony. And our careers were interlocked from that time, for the rest of the time in IBM for both of us.

Indeed. This was 1974.

Yup.

[53:57]
And so you do that for two years?

Yeah, two, two and a half years basically.

Two and a half years.

And then I get this phone call. [laughs]

And then Personnel...

Yes.

They're plotting this man.

Oh yes. Yeah.

You know, they've got, they've got David Morriss on the, on their radar definitely.

Yeah. Yeah.

And they say, OK, he's done the branch managership for two and a bit years.

Mhm.

He's got this type of background. He's got type of background. Let's do something a bit radical with him.

Mm.

And send him to Paris as the assistant to the director-general.

Yes. Well the director-general made the decision. They chose to send me, but he, I had to have an interview with him.

Sure.

And...

Who was that?

Kap Cassani.

Kap Cassani.

Yeah, Kaspar Cassani. Kap Cassani. A Swiss guy.

A Swiss guy.

Very very interesting guy. Brilliant. Probably better than any business school, working with him for two and a bit years. And, again we got on well, which obviously helps. But he, he was, a very incisive mind, and, you knew where you were with him at any time. And as you progressed in the relationship, sometimes with

those people, your job is to warn, if I can put it like that, sometimes something excites them and they're thinking of a direction, and, you have to tell them, it's part of your... You just say, 'Well, you know, are you quite sure? What if this turn out...' And, and he respected that. That's what he... He didn't want... He said, 'It's no good someone just sitting there saying, 'Oh that's wonderful,' and walk out the room. That wasn't your job. Your job was to try and add some value. And he made clear that that was the job, which made it wonderful.

He had replaced, had he not, Jacques Maisonrouge?

Yes. Well Jacques, yeah, was, became President, which was a figurehead job in terms of the management. All of the management links to the US, where Kap, he would go over to...

OK. I mentioned Maisonrouge because he was one of the first people to write a book about, from inside IBM.

Yes.

And it was called, I believe, Inside IBM.

Yes. Yes. I've never read his book.

Mm, quite revealing.

Yeah. But, maybe it was just... I didn't know it existed, to be honest. But I had read other books by internals. I read Gerstner's book. And a guy called Buck Rodgers, who was...

Oh yes.

Now he wrote a book, which was quite interesting as well.

[56:19]

Paris.

Paris. Yes. We got there. Yeah, I got 24 hours' notice. Yes, I know.

'76 or something. Just 24 hours' notice. Were you were married by then?

Yeah, I had to go home and tell... Yes, I had to... And we had one child. Had to convince my wife that it was a good idea to be... She was wonderful. She just said...

That evening?

Yes. And then say next day, yes, we're going to do it. And, yeah, no, she was up for it.

Ah.

Yeah. It was great. And...

But, when you made a move like that, in IBM, as far as I understood, you were helped.

Oh yes. Yeah yeah, it was a...

It never was, you know, go to Paris and work this out. You were helped with housing.

Yeah. No, there was a department. Because, the way the international headquarters worked were, assignees from the various European countries, and the US, and then, there were French locals, a bit like the Civil Service, working for the, IBM Europe as a company, in various roles, mainly but not all French nationals in those roles. And, then there was a department whose job it was to assist assignees in and out, because, going out, there were processes as well, not just the company, but the French tax authorities and, all that.

Sure.

So again, it comes back to this respect for the individual. Yes, we ask a lot of you, but we'll do our best to assist you in doing it. And this was classic. And they published actually a book, a sort of manual, really aimed at the Americans, because it was so different for them.

Yes.

About, French culture and society, and, and things you do, and things you don't do, and... Which was very helpful for them, it was helpful. Yeah. So yes, I ended up in Paris.

[57:52]
And the very first time you'll probably see a bottle of wine on a table in an IBM canteen.

Well, not... But that's a very good question. I'm afraid it's a slightly complex answer. Not in IBM France, but you would in IBM Europe. And this is because of French law.

Oh right.

Am I allowed to tell these stories?

Indeed.

They... IBM Europe is a French company, established in French law. And, under French law, with more than a certain number of employees, you had a thing called the *comité d'entreprise*, which was funded by sort of, payroll over, levy, and administered by a committee of management and elected representatives. And they took on certain duties, which included running the cafeteria. So, the cafeteria in IBM Europe belonged to the *comité d'entreprise*. And therefore, [laughs] if you wanted it, there was wine. But not in IBM France.

Ah.

Oh it's too close. And never in IBM UK.

No.

And never in the US.

No.

We did see beer, weak beer, in the Scandinavian countries, in their lunchtime cafeterias. But it was, it was... That was the reason it happened. And the Americans had to be tutored in the [laughs] fine lines of, you know, this is diplomacy almost, where there's a line you can cross and there's a line you can't. So it was quite amusing really.

[59:18]
'76 to '79 you were there, in EMEA.

Yes.

What were the challenges faced by IBM in EMEA in that period that were dealing with?

Well, the... Operationally, issues in Africa and the Middle East were quite challenging, and, there were issues in certain countries for example who would take a view on accounts and things like, headquarter charges being basically like a royalty paid to the offshore company. They'd try and stop that. And, and various other things, which ended up with the companies being... If the Americans couldn't get their money out, why on earth, in the long run, would they put it in? And we actually shut one or two of them. Which was not the outcome that was expected by the people rattling the cage, on the grounds it wasn't viable. And in fact developed more of an agency approach in some of those countries, it was more viable.

You were in South Africa then, weren't you?

We were, yes. I wasn't closely associated. I was later on. We were in South Africa.

The Sullivan sanctions hadn't yet descended on you?

No. Not, not that had made a difference where I was at that time.

Right.

The other thing that I had to be careful of, the sort of job, who can we land this on, was the American trade laws of trading behind the Iron Curtain.

Ah.

So me and the lawyer, who happened to be a British assignee, which helped, who I knew, at the council as we were called over there, we had to be very careful about transactions crossing the Iron Curtain basically. And, I got the job of being, it's my fault if it goes wrong, you know, so... [laughs] But I mean we had a process to manage it. But, things like that. So, in a sense...

Watson was asked, Thomas J Watson was asked by the Soviets, 'Why won't you deal with us? Because we're communists?' He said, 'No. Because you'll steal our intellectual property.'

Yes. Absolutely. We had a, we did have an operation in Moscow later on, I was responsible for it, but that's another story. But, this, the export... The issue was really the fringe countries, like Czechoslovakia, Hungary, Poland, where, again, quite rightly, the Americans felt an affinity, because, war and all the rest of it, you know. And, so there was, there were transactions, but they were highly controlled.

[1:01:41]
Right. Highly controlled. You came back in 1979.

Yes.

And, you were now manager of a region.

Yes.

And how many branches are in a region?

Well I had eight branches.

Eight branches.

Yes. There were... There was an interim, before I took that job on, briefly, where, a classic IBM mechanism for change called a taskforce, which I led with some other guys, looking at really, we had issues with the affordability of client support. We talked about the support ethos. And, as, because of this unfortunate, both curves going the wrong way, we had to look for new ways of delivering support and structure. So, I got the job of doing that. And then, as soon as that finished, I moved into the regional job. So it was only a few months.

Right.

And then I took over the region. Yes.

[1:02:38]
And, in that year, IBM launched the System/38.

Yes.

Very interesting box...

Yes.

...because it had a relational database integrated into it.

Mm.

Badly configured to begin with, the System/38. Not enough disk storage.

Well, that, interesting, the structure was sliced in a sense by size. And my piece was the high end. And so, we had, we didn't have the 38, or the 36, normally. But they had also formed a thing called the General Systems Division.

GSD, yes.

GSD. And they were the people, they had their marketing structure.

You were what was called DPD.

I was.

Data Processing Division.

Yes.

And DPD, 1979, a radical break in price/performance, i.e., performance up and price down.

Yes.

With the IBM three... the 430. Sorry, 430, yes?

[hesitates] Yeah.

4300?

Forty... Oh, yes.

4300 mainframe range.

Yes. Yes, but that's a, that was a mid-size machine.

Yes. But that was a massive difference in price/performance wasn't it?

Yes. Well, they were. And I think the, this is leading to the onset of distributed processing obviously.

Yup. Yup.

And, we had clients in the DPD, one in the, when I was in the region, I never dealt with them until I was in the region, was the Pru, who had, they used System/36es linked to IBM mainframes for distributed systems. And, there is a story there. Because there was, Amdahl were bashing at their door. I knew that they weren't going to succeed, but there was a story that ICL were going to sell their 29-something for this. And, there was also something in one of the computer magazines, I can't remember which one, that said IBM were about to withdraw certain software. And, I got a phone call from the head guy at Pru saying, he had seen this; what's going on? And I said, 'Oh, I was going to ring you. There's this thing in the, about you buying these ICL machines.' And we... There was, there was no truth in either... [laughs] So we still parted on good terms. But, they were literally coincident. You can't, can't plan those things. And so we continued our merry way, working together.

[1:05:02]
And strangely, IBM opened retail outlets at this period...

They did, yes.

...called IBM Product Centres, in London.

Yes. I didn't have much to do with that.

OK.

That wasn't my piece. We were still dealing very much with the major client set.

[1:05:17]
Right. So, '79 to '82 basically, London and South East Region.

Yes.

The biggest region, presumably, London and South East.

Yes. In revenue.

In revenue.

Yes.

Huge.

Yes. Yes, it was.

Banks, central Government, so on.

Yes, banks, insurance company, yes, companies et cetera. Yup.

[1:05:33]
Now, in 1982, you moved into a directorship of Business Plans, which you did for three, three years?

Yes.

Now, what role was that?

Well Business Plans was, was mirrored in ICI, when they were a big group, but it was an unusual thing really. You had the, the finance function with its role. Then you had the marketing and services piece. The, the future products and all that sort of stuff

were concealed till very close to announcement; that was deliberate policy. And... But someone had to be planning for all this. So the planning departments integrated these various ideas into the annual, there was, five-year strategic plan, and the annual so-called operating plan, which is the budget basically. So we worked closely with the other units in pulling this together, but it would have to be based partly on assumptions of new products and whatever, which of course were not in the hands of the marketeers or whatever at that point in time. So we... And then we also did the manpower planning element, and in so far as it affected the UK operating marketing of services company, the capital planning. So, so it made sense as a business plan for them.

[1:07:02]
So in army terms, you are the staff.

Oh very much. Oh there were others. There were marketing staff. We were the staff, yes. We were the planning staff.

Yes.

And we, that was our, our role. And it was, went right up the company. There was a vice-president business plans in IBM Europe, up to a vice-president business plans in the States. So it was a community if you like of...

That must have been a fascinating job.

Well it was, it was, really really interesting. And...

So you got to see, of course secretly...

Yes.

...all of the products coming down the line.

Yeah. Yeah. Yup.

And what impact they would have, and so on.

That's right.

And the products you saw in that period, '82 to '85, would be, what? Well, it... You've done the IBM PC already, in '81.

Yes.

PC/AT you would see.

Yes.

The junior, the 3090.

Yes.

The big mainframe range coming through.

Yes. Coming through. Yes, there were changes everywhere.

Yes.

We had the PC, yes, the PC was a big piece of the company plan, but that was a new fenced function in itself, you know, because it's dealerships all this stuff. But no, we had to integrate that plan. And that was interesting, because, predicting growth rates of 30 or 40 per cent, looked bold. But, we, we were quite successful at that in that time.

[1:08:24]
Well, you were rather successful in that time, because, '81, the turnover was 747 million, IBM UK.

Yes.

'82, 946 million.

Yes.

'83, by the time the PC is really rolling, and given that it was being made for Europe in Greenock, Scotland...

Yes.

One billion, seven hundred and thirty-one million turnover.

Yes. Yes.

I mean, it is quite...

It had gone...

Huge.

Yes.

And, '85, two billion turnover.

Yes. Two billion, that was, obviously a big milestone, yes.

That would have been very nice.

Yes.

And, you had had to, plan that process.

Yes.

Because that was the, the last year that you were Director of Business Plans UK.

Yes it was. And then, there was a, a major restructuring. Tony Cleaver had become head of the company.

Right. After Sir Edwin Nixon?

Yes. And, Tony... There were issues, again, if you compared productivity with all the major... There were so-called four majors, Germany, France, Italy, UK, were the biggest. Then there was a mid-range, so middle-size companies. And, they on paper were more productive per head than the big companies; often the way. And Tony felt that he might be able to... We were always looking for productivity, everybody is. So he decided to break the country operationally into three units. And instead of having just central stars, each, there were devolved staff. So, I was made General Manager of the Central Northern Region of the three units, and I had my own personnel staff, legal, finance, and so on, and I also had, as a general manager, the customer engineering, and even the GSD manager was integrated, although he had a very thick dotted line to the GSD function. So it was genuinely a subset of the British company operations.

And this is why IBM actually stands for 'I've Been Moved'.

Indeed, yeah, I've been moved a few times. [laughs]

Yes.

[1:10:33]
But... But that didn't last very long, because they called me back to Paris after fifteen, eighteen months, so... Which was unfortunate. Well no, it wasn't unfortunate, but, as Renarto Riverso was by then the president of IBM Europe, he said, he said... Because he came over to visit me. I knew him from my days in Paris, we had worked closely.

Right. This was '89 then?

Yes.

Yes.

He said, you know, 'You have started something and you haven't had time to finish,' which was correct. He was spot on. Yeah. So then I went back to Paris.

As Group Director, Solution Development.

Yes. Oh that was...

What did that mean?

Nothing. [both laugh] I had a... There were certain bits of staff. My main role there was plotting the return to a major services business, strategically.

Right.

Which was, you know, coming through big time.

Now, the Japanese were pouring in to the mainframe market.

Yeah.

And everybody else had poured in to the PC market.

Yes.

By now IBM had lost control of the PC market...

Yes.

...with the disastrous launch of the PS/2, the OS/2, in '87, which was the end of your period of being General Manager of Central and Northern.

Yes.

And, so, now, the focus was on the fact that, although... This hardware was now becoming a commodity.

Absolutely. Yup.

And if the hardware was becoming a commodity, what were you really going to do about making profit when other people might have been able to make it with, say, cheaper labour, or whatever?

Yeah. And indeed, on the manufacturing side, we, roles, missions were being moved out of countries to cheaper countries. So, that affected the UK as well as others.

Indeed.

So, I was involved with some of that, oversight of, of that as well.

Right.

But that was later on.

Yes.

[1:12:32]
The... I think, there were, a huge strategic mistake was made. The corporate management was dominated by the, the product people, who, who couldn't see an end to the gravy train. And by the time they did, they had left reaction far too late. And so, from the services revolution, we should have started it two, three years earlier. But there was change right at the top of course. When Gerstner came in et cetera,

there had to be changes at the top. And... But we had to move quite fast, because the downside of it all was, for once, IBM had to break its full employment policy.

Yes.

And that was a major outcome which was really unpleasant obviously, being involved with it. But we, part of what we were trying to do was to move people into potential fee-earning roles in services, and enter new lines of service. So I, again because I had had this sort of strategic background in client and IBM planning, I got... and that was the colour, that's what I was really doing.

[1:13:49]
Right. The founder of INPUT, the consultancy company and market research company, has made his, Cunningham has made his presentation already.

Yes.

And he said that he was asked by, by the board, the whole board of IBM, corporate, in Armonk, to go and present to them about what this service business would be like. And he was whispered, there was a whisper in his ear by staff, IBM staff member for instance said, 'Make sure you tell them that, it means that there's going to be a lot more hardware sales.'

Yes.

And he had to tell them, 'Probably not, my dears.'

Yes.

So you had to grasp that nettle...

Indeed.

...by trying to plan IBM's way through it.

Yes.

What was your solution?

Well, I started from where we were, versus this broader defined market in places where we were non-existent, like, consulting in the pure sense of consulting.

Yes.

There were other people, like, there were third party engineering companies where we had competition. So I did a segment model of the whole, as I saw it, the service industry. And we looked at each one, point of view of IBM's strengths and weakness, opportunity. All the conventional stuff.

SWOT.

Yeah. And looked at what we might need to do. And the areas that opened up, given our skillset, with the redistribution, were very much things like systems integration. So we ended up as a competitor. Now often a partner. It didn't take long to be partnering, interestingly, with people like Logica and, and so on. So, where we could complement each other. And, it really changed the relationships of IBM with that part of the industry, over time, it wasn't instantaneous. But...

Right.

The, that was, the strategy was to try and redeploy the people who, who had the skills and were re-trainable, into these jobs. And then we acquired, we just, went out and hired consultants, because we had to start that from nothing. We turned a lot of the education business, we made it more out-facing, with a broader set of courses. There were always some, but we broadened that out. The, the online bureau, would now be called cloud computing, we weren't brilliant enough to think of cloud in 1989 [laughs], was extant, and running, and we found we could expand that. So we pushed on our areas of strength, and where we felt... We felt there was a, a continuum, and,

the weakness was, if, you have to be very careful, you're a military man, you know, reinforce strength, not weakness. But neither do you leave the back door open [laughs], put it like that. So we had to form organisations that could respond to this. But, all though this was the management of the personnel through this massive, by this time Nick Temple was on the scene in the UK, and he, Nick made some very brave decisions. And, he, he grasped the nettle, I have to give him, you know, give him credit for that. And, it was very tough, you know.

[1:16:45]
Was there resistance?

N... [hesitates] No. In that... It's funny. Maybe it goes back to the culture. I think people... Because we did a huge amount of communication. The top team were always on the road, always keeping people informed, and, that meant that the management... We weren't hidden away and throwing the bad news over the castle wall by any means; we were out talking to people, explaining the issues, and making it clear there were opportunities. There were one or two sectors of personnel where it was very very tough, and it wasn't really just the, the change in the hardware market in those terms, it was the changing technology, and this was particularly customer engineering, where you made your way up customer engineering, through progression, through stronger and stronger electronics, but of course, we ended up with plug units, it was almost a warehouse and delivery job. So you deskilled. So the top echelon, or your customer engineers, the job had disappeared. They were highly skilled, highly paid, and the rug had gone through technological reasons, and, not just these, others. So we had some real issues to grapple with.

And you implemented those issues in the UK as Director of Staffs and Services.

Yes. Then we amalgamated all the, all the staffs into one group. So I really was chief of staff then, I was CIGS if you like [laughs], using the military analogy, working again with Tony and then Nick, to integrate. We just needed as tight a staff... Because there were issues. With any big staff group, you get into silo staff, you know, what do you call it, warfare, not quite warfare, but, it needed to be, you had to be, we had to be in a position to move quickly. And so we wanted to shorten the lines

of communication, get decisions made and implemented much more quickly. So, I was... You know, it often happened, you did the planning and then you're stuck in to implement. That was a classic series of events really, like the, the structured company in the Eighties. You know, I did the staff work, and then got given one of the ones to run, and then, the services was the same.

Right.

And then the, this downsizing, which is what it was, I, the same thing all over again.

[1:19:03]
You've been on the board since 1986, so you knew the numbers very closely.

Yes.

And 1990 4.1 billion turnover, and 412 million pre-tax profit, meuch.

Mm.

And 1991, 3.7 billion turnover, and a loss of £147.2 million.

Yes.

And no dividend paid to the parent company.

Sure.

And, not good.

No no, not at all.

A new plan corporately was being proposed.

Mm.

Which was to create Baby Blues, Baby IBMs.

Mm.

And split things out.

Yes.

And make them more agile.

Yes.

With Lexmark and...

Yeah. But there was also internal restructuring. This is Gerstner. Remember Gerstner?

Well Gerstner didn't come until '93.

Well no. No, that's true.

This is Akers's strategy.

Oh sorry, you're with... Well...

Akers's strategy is

Yeah, well Akers...

He's desperately trying to to...

Yeah. Well that was part of the... I did present to the board, with Akers in the chair, before he left, on this whole services strategy.

Right.

The way, where your, the chap from inside, wherever it was, had done the presentation. I, nobody was whispering in my ear. I was very lucky, because I had met Akers in the past, and most of the Americans there wouldn't know me from Adam. But I walked through the door, and he looked, he said, 'Hello David. Really nice to see you.' And, which altered the [laughs] the tenor of the meeting I think. Because that was, it was a very nice thing to do. And, I took them through the, the analysis and the recommendations that we had done in Europe, and, I mean we implemented it basically. And so that was a result.

But not fast enough. Because...

Well I think... Yes. There's, the inertia issue, is, is really the resourcing. It's the inertia with which you can get rid of that number of people, within the ethos of IBM.

[1:20:54]
And, losses mount in IBM UK.

Yes.

John Akers goes to the board one day in 1993 and says, 'The corporation can't pay a dividend.'

Yes.

Although there had been losses, although there had been a change of culture, although people had been made redundant, that hadn't caused him to be chopped.

No.

That day he was out the door.

He was.

Out the door that day.

Yes, he was. It was...

And for the very first time in its history IBM looked outside.

Yes.

They looked outside, first of all to the computer industry, and couldn't really find anybody.

No.

And then they found this man called, Louis Gerstner.

Yeah. Yes.

American Express.

Yes. McKinsey background.

McKinsey background.

Yeah. He was... I think he came from Amex. I think he had been in McKinsey, Amex, Amex to IBM.

Yes. Yup.

Met him very early on in his tenure, because...

Charismatic?

Yeah, he was. He found IBM a hard company to get a feel of. He was open about that, very open. Because he instituted a series of twice-yearly top management meetings, say the top 400, of a company of, what, 300-plus thousand people globally. And he would, we would meet, and you'd meet, at some time during that you'd be having breakfast, lunch or dinner with him. So he got round everybody. So he got to know his own top team. But he was responsible for going back, very McKinsey-like, to a line of business, international structure. And that's when, I got my last international job. I was asked to head up the EMEA public sector piece.

[1:22:33]
You were. '94 to '97.

Yup.

And that was basically your last job in IBM.

Yes.

In Paris.

Yes. Well I did it from London. I had a choice. I actually did it from... Because, the travelling for that job was better from London than Paris, because you had South Africa then, and a lot of trips to the States as well.

Right.

Because the way it was done is, there was, in each of the IBM geography, so, mainland US, South America, Asia Pacific and EMEA, there were units, and they were intentional units. So, in America, my oppo there, he was the head of the function, which made sense, but I was his designated number two. So if he couldn't go to Armonk, I had to fly over. That's the way it worked. Not... He couldn't send his chief of staff along to, if there was something like that. It didn't happen very often. But, we got on really well as well. And there's... If you've been through corporate reorganisations, you have a window of innovation before the corporate

amoeba grow round you and try and get back to where they were in the first place. And we used that, and we, in the public sector, we were able to do a lot of changes.

[1:23:47]
And what had happened in the public sector, particularly of course for Europe, was that, the old national champions had faded away, had gone bust, or been bought by the Japanese, or, or just withdrawn.

That's right. Yes.

And which left a huge market for IBM to step into.

That's right. Yeah. And we were back to the solutions world. When we formally... We were developing, or moving solutions from a, a point of expertise, and making them more publicly available. So, again, we went, it was right back, in a sense, to where we started, we were a solutions company, into organisations that desperately needed... As users though, one has to say, it was very hard for users, because of the fragmentation of the management schemes in the public sector then, the, there had... There were issues. Let me... I can't... Just, for instance, without naming names, they had an outsourcing contract. The processes which had been outsourced were clearly not fit for purpose, so advised a whole new thing. That's what the user wanted. Couldn't do it. Because, the incumbent said, 'No, we can't handle that, and our contract's got another three years to run.' Probably short-sighted, because at the end of the three years, [laughs] they may have shot themselves. But, these were the things... And it was frustrating a lot of the users. And they outsourced, which was a serious managerial challenge, they outsourced the interface between these IT functions. And so you had consultants on consultants in a communication chain which obviously didn't do a lot for the users. So there was a lot of dissatisfaction. Very hard to deal.

[1:25:26]
And also there seems to be, and I'm not quite sure, maybe you'll be able to tell us, a consistent level of failure...

Oh yes.

...in the public sector.

Well...

Huge failure, as well.

Huge , oh yes.

Public.

Yes. Well, after IBM I got involved with some of the attempts to try and solve those problems. That's another story. But...

Why do you think the public sector is so prone to these things?

First of all because, people will not tell their boss the truth. They tell them what they want to hear. And, because that... It's a generic comment, that would be my observation. And although a lot of them are very clever, really clever people, they are, they don't have their feet on the grounds of reality, in terms of what really happens when you try and change things, et cetera. Back to my British Aircraft Corporation days. The chap I dealt with there, he, I remember, his mantra was, the computer is only a third of the problem that you are solving, and the rest is the people. And yet, very often, especially politicians, think a budget and an assignment of a bunch of kit, and the problem has been solved. No no. You've just started the solution process. And that culture... I mean, because then they had this office led by Peter Gershon, and I had some interactions with them, and, because he was on the same thing. And, the other thing was...

He was of your, of your opinion, did you mean?

No. Well, no, interacted with him. He knew there was something badly wrong.

Oh right, OK.

And he did put in... Now this is long after IBM. He did do things to try and fix it, which I did get involved with, but that wasn't IBM's fault so to speak. That was later. But, no, he was trying to do the right thing. But they were really... They had a... An example, no names again. I dealt with someone who said, 'Oh I'm fed up with you big guys. You're always twice as expensive. You know, you're earning about the same amount of money, and then this, this company, who will do it for half the price. And, and so, you know, you're ripping us off.' And all these big bids, you know, which we were doing across Europe, could cost you $2 million to bid. Doesn't... You know. Just... And, in the UK at least, you were lucky if you won one in three or one in four. So you were sinking eight million per bidding round to stay in the market. That's the reality of, of the public sector market. So, it makes you think how, what you do about it. And we took...

[1:27:58]

So I went to see Gerstner personally on one particular issue, about a bid which, in the end we, we didn't want to bid, but they said, we've got to, the rules say you've got to have three bids. And, ourselves and one of the other competitors admitted what they called non-conforming submissions. Our... We non-conformed on the grounds that it was totally unworkable with their governance structure. Because it was multiple government departments agreeing on the usage of, of a new network. And with no, no governance around that at all. And of course the contractor was going to, under the sort of, responsibilities offload rules, be responsible for the outcome. So we said, 'You must think we're barmy,' or words to that effect. 'And we're not.' And, the people who got it, and I won't say what it was, but they lost a huge amount of money on this contract. So, that was pervasive. It's lack of integration of the realities of life at the other end of the tunnel. But, Gershon tried to fix it. To be fair to him, he did make changes, which were quite, you know, quite fundamental to process. But this, the two major links, weak links, were this consultant-on-consultant communication channel. So there was lack of representation in the management structure.

[1:29:18]

And so, I'm going to it rather crudely, and you can correct me. IBM stops being a unique company...

Mhm.

...with a unique approach and a unique culture. And it becomes a me-too company, selling services, which now, it might think were high profit, but are now becoming close to a commodity, with everybody else piling in there.

Mhm.

Fujitsu, Cap Gemini Sogeti, EDS, IBM, BT tried to do it.

Yes.

Everybody trying to get into the game.

Yes.

And you just about pull it round, but the culture's gone, hasn't it?

The culture, yes. I mean, financially, we were, we were a healthy growing services business in the UK. Because, the, for example, the consultancy grew very well, systems integration was growing well. So... But then, most new businesses... I mean it is a new, it's a big new business, well it's a new business, was doing quite well; when I left in '97, it was still on the up I think.

It was. But it was back to a £4.7 billion company, making profits of, 210 million.

Yes.

[1:30:33]
You left the board in '95, '96?

'97.

'97 did you? OK. You're not listed as a director for '97 annual accounts.

Well... Oh well maybe...

Maybe they did before.

May '97. It may be that the year cycle...

Yup, that's it.

Yes.

That was it. That was it.

But, yes. But...

OK.

I stayed on the board till I retired from the company as a whole. But yeah, you're right, it was... And of course the margins were dropping. But then, the margins in hardware had gone to nothing. And so, it's a constant battle. And, I really, it's now, over twenty years since I retired from IBM, and, it's very hard for me to comment. Though I've got colleagues, obviously I still see...

Six quarters with downturns.

Yeah, the structures, I, I do not understand the structures at all. I think our structure was relatively easy to understand and manage. How it is now, I don't know. And, I... You're right. And as they say themselves, the guys who are now retiring, who were our young, you know, middle management, up-and-comings, who we see, they also have this, you know, they're saying it's not like it used to be, so what do *we* think? [laughs] If we're two generations... I mean that's always true isn't it. People always see that. But...

Do you feel a loss?

What, of not, of IBM as it was?

Yes.

I think its strengths were magnificent to be honest. Their constant training culture, the, the training of managers to manage people, and tasks, and see both equally important. Honesty.

[1:32:10]
Is there anything big that IBM could do, needs to do, in terms of technology, that might turn it round?

That's hard for me to say. I, now, I'm, I think, in all honesty, 20-odd years, I'm too far away from both the technology... Clearly things like... It'll be, it will be soft technology, AI, this sort of thing, will revolutionise the next wave of implementations. And, of course IBM's deeply into it, as you would expect. Whether the monolith structure is doomed, I'm not sure. No... It might be. I haven't really thought about it.

[1:32:50]
And since leaving IBM, you've been chairman and managing director and vice-chairman of, of various companies.

Yes.

Concurrent Thinking for instance.

Yes.

And also you've been consulting clients such as Silicon Graphics Europe.

Yes.

Travel International, Manpower.

Yes.

And, as you've mentioned, UK Office of Government Commerce.

Yes. Well that was through Peter Gershon. He introduced this thing called the Gateway programme.

Yes.

And I got introduced to that because, IBM had a spinout as part of its restructuring with a company called Skillbase. And, Skillbase was a means of people being employed after they had left IBM, and, they could at arm's length under strict rules be contracted back to IBM. And this was to protect their tax position. And it was all agreed with the Revenue and all the rest, you know. And then that company was taken over by Hogg Robinson, who had other corporate services functions. And I, I was asked to be the chairman. I said I wouldn't be the chairman, I would be a vice-chairman, or deputy chairman, because, I felt, without a direct link to the main board, it's an unworkable position. They said, 'Fine, we understand that.' So another guy, who I got on very well with, he was the chairman. But they got a contract to supply people for this Gateway programme. Gateway was a series of, of processes that came together to try and improve the outcomes of, of government programmes. And it wasn't just in IT; it was also in civil engineering. And, the concept was, normally a recently retired, really senior civil servant, grade 2, you know, which, at that sort of level, in the old, old structures, and, it was people like that. And they would, you would go and be a, work with them, and they would have assigned existing civil servants on a secondment to be a sort of project oversight team, project audit, whatever you want to call it, who would then, my job was to work with the, the guys, who would get their, their views together. We'd get a project team, we'd work with them. And then, that would generate a schedule for a, say, a week, exercise with the department of a project, and come back with the recommendations of what was right and what was wrong with it. And, I did 20-something of those over a period. And,

they... I... Well I thought it was going well. Then it was suddenly cut. Because they had learnt all they could from the public sector – from the private sector apparently. [both laugh] And, and of course within a year, they may have still done the reviews, but it's all internal on internal, and, I think that must have been Peter Gershon said, 'No, I want some people from outside.' And I think it added to the veracity of the outcomes. And the recently retired Civil Service was a very good thing, because... Because they were retired, they could perhaps be more open than they might otherwise have been, but their background and connections made them very effective. So it, it worked. And it was fun to do. Because they were people you had maybe known anyway through other circumstances, who you respected, and, you had an affinity, and it was very very easy to gel with them and do a thing like that. And I enjoy it.

Good.

Yeah.

[1:36:13]
You had 31-plus years in IBM.

Yeah.

Now here's a cheeky question. What was your biggest mistake?

Biggest mistake. Oh I made plenty of those. [laughs] Let's think of the biggest mistake. Ooh. [pause] Mm. [pause] Gosh. [pause] I've just... Yeah, it's... [pause] I... I suspect... [pause] You, you mentioned earlier that they were managing you. And I think that was true. I think some of my colleagues may have done a bit more managing themselves, up the company if you like.

OK. You let yourself be guided.

Basically. Because they kept doing it to you. You see that...

Oh yeah, absolutely.

I mean, a lot of people have to change companies six times to have had that sort of experience.

Mm.

I never, I never had to. And I did turn one job down, during the... And I, that was not a mistake. I was pleased I did that, because it wasn't the right job, and I, the one I got after that was the planning director's job, which was a much better one. I was being used to solve somebody else's problem. Whereas that hadn't really happened up until then.

Mm.

So that wasn't a mistake. But, my view was, I had found that the company knew what I was, and used me as it saw fit really. And I was happy with that.

OK.

Other, some people have said to me that, you know, you, you could have pushed yourself harder. Well, possibly, but I enjoyed what I did. So I don't know if that's a mistake, but that's what happened, you know.

[1:38:01]
It's very important to you to enjoy what you do.

Oh yes. Oh yeah, and that's, the things I do now, I've still got a portfolio of stuff, my wife says, 'You'll never...' I don't, I don't retire; I just do different things. Because... And I, now, it's very much different. I work with charities and so on, small companies, because you can add a huge amount of value for them, and it's enjoyable, you get much faster feedback, in terms of outcomes. And, it's an area, especially the charity world, which desperately needs serious management, for all sorts of obvious scandals, but, the, it's inherently undermanaged. Most people are very dedicated to

the outcomes without understanding the means of delivering them. That sounds a bit harsh, but it happens over and over again.

[1:38:47]
You've also made quite a large contribution to the type of institutional infrastructure of IT.

Yes. Well that... When I... Yes, that was another... When I retired from IBM, I was, I had just retired, and I was at the president's dinner of the BCS as a guest. And I was too... That was a big mistake. It was, being naïve. Because I was sat between the then president and the lady who was then running it as the secretary-general, and, so they said, 'Oh, what are you going to do now?' And I said, 'Oh well, I'm quite interested in, you know, getting involved.' [laughs] And about three weeks later I was on one of their, it's like a non-exec director of, and then became a vice-president and so on, of the BCS. Which I, I did, again, enjoyed that. But that ended up as a corporate reconstruction exercise, actually with a colleague, who was from ICL. So we crossed boundaries very easily at that stage. And, then I of course got involved with the livery company. And that was clients who involved me. I have a background, because the school I went to was run by the Drapers' Company, so the livery company world wasn't new to me. But, I had heard that they had had enough IBM people in the IT company, and the engineers were after me, and suddenly two of my clients said, 'Hey, we want you in this one.' So... That was closer to what I did, you know, the engineering side was more cultural than anything else now. And, and so I got involved here.

And more important than that, you're a member of Chigwell Golf Club.

Indeed. Yes. I wish I got there more often. [laughs] So does my wife. [laughs]

I'm sorry to hold you up from it, but, thank you very very much for your contribution to the Archives of IT, David Morriss. Thank you.

Thank you. I hope, I hope you've got what you need.

[End of Interview]