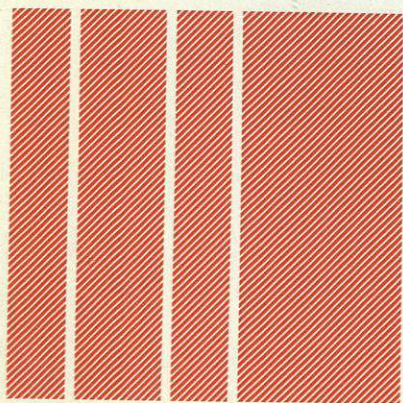


Conference Programme



The Butler Cox Foundation

Integrating Systems Strategy with
Business Strategy

The Hague, 13-15 May 1984

The Butler Cox Foundation

Management Conference
Integrating Systems Strategy
with Business Strategy

Hotel Bel Air, The Hague
13 — 15 May 1984

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Introduction

The 1984 Butler Cox Foundation international conference will be held in The Hague, The Netherlands between 13 and 15 May 1984. This booklet describes the purpose of the conference and the programme of events. A synopsis of each presentation is provided, together with a biography of the speaker.

Each member organisation is entitled to send up to three delegates to the conference, and a registration form is included at the back of this booklet. The conference sessions will be held in the Netherlands Congress Centre, and delegates will stay at the adjacent Hotel Bel Air. Each delegate pays only for accommodation and meals at the hotel, and we have arranged a special conference package that covers these items.

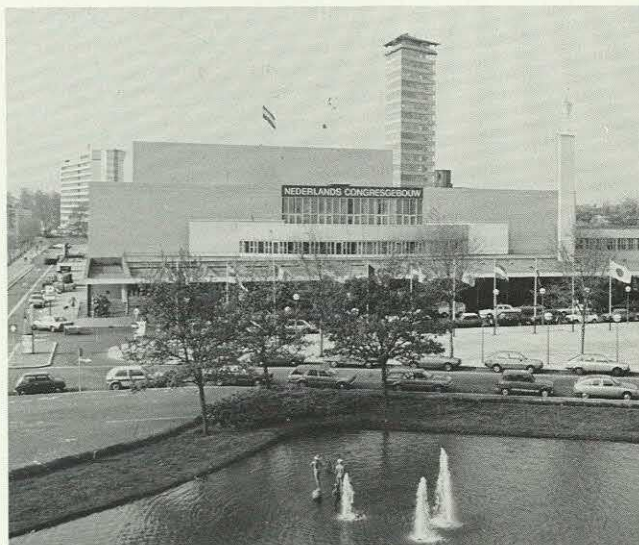
The Conference theme

This conference focuses on the recent advances in integrating systems strategy with business strategy.

Increasingly, organisations are using information systems to help them match their resources to the requirements of the marketplace, not only by supporting the existing business, but also by creating new business opportunities. To do this effectively requires that the application of technology should be more directly aligned to the strategic direction of the business, and the need to raise thinking about the role of information systems to a strategic level has been apparent for several years.

The consequent need to align systems strategy with corporate strategy has also been progressively appreciated and preached. However, this concept is easier to describe than to put into effect. The 1984 International Foundation Conference will address this issue by examining the major technological and social driving forces that are causing organisations to reappraise the role that information systems can play in the strategic direction of the business.

The speakers include several acknowledged leading authorities both from Europe and the United States. They will provide insights based on recent experience of integrating systems strategy with business strategy. And they will update Foundation members about recent developments in thinking on the topic.



The conference will be of specific interest to senior managers and directors responsible for planning future information systems.

The Conference programme

The opening keynote address will be delivered on Sunday evening before dinner. In this way, we believe that delegates will have an immediate focus for discussions with each other during the Sunday evening.

On the two following days, invited speakers will make a formal presentation, which will be followed immediately by a discussion period. There is one exception, however. The first session on Tuesday morning will take the form of an in-depth interview, where David Butler will question Mike Hammer about the views he expressed during the last session on Monday afternoon. Delegates will therefore have the opportunity during Monday evening of briefing David Butler about issues to be raised during the interview. The final session on Tuesday afternoon will finish in time to allow delegates to catch flights from Schipol to major European cities.

In addition to the formal conference proceedings, there will also be a special social event on the Monday evening (shown as the Conference Dinner on the agenda). This event will be held away from the hotel, and will enable delegates to enjoy (and perhaps participate in) some local Dutch 'culture'.

The Conference Agenda

Sunday 13 May 1984

1730-1815	Registration (Hotel Bel Air)	
Session A 1830-1930	Management productivity and information technology	Gus van Nievelt Director, The PIMS Programme
1930-2000	Cocktails	
2000	Dinner. The conference package includes dinner at the Hotel Bel Air	

Monday 14 May 1984

Session B 0845-0945	Meeting the management challenges posed by new information technologies	Louis Naugès President, Bureautique SA
Session C 0945-1045	Integrating advanced production systems with information systems	Clive Lattimer Manufacturing Director, Mars Electronics
1045-1115	Coffee	
Session D 1115-1230	Advances in office technology	Jim Mackie Vice President Office Technology, Mitel Corporation
1230-1400	Lunch	
Session E 1400-1515	Preparing the company for the information age	Peter Bagnall Managing Director Staff and Services, W H Smith & Son
1515-1545	Tea	
Session F 1545-1715	The strategic impacts of information systems	Dr Michael Hammer President, Hammer & Company Inc.
1900-0100	Conference Dinner (Buses will leave the Hotel Bel Air at 1900, and will return at approximately 0100)	

Tuesday 15 May 1984

Session G
0845-0930

**In-depth interview with
Dr Michael Hammer**

David Butler
Chairman, Butler Cox & Partners
Limited

Session H
0930-1045

**Using technology to shape the
business**

Kailash Khanna
Vice President, Corporate Systems
and Technology, American Express
Company

1045-1115

Coffee

Session I
1115-1230

**Identifying critical success
factors**

Professor Hubert Heyvaert
University of Louvain

1230-1400

Lunch

Session J
1400-1500

**Linking business strategy with
systems planning**

Roger Camrass
Director of Telecommunications
Studies, Butler Cox & Partners
Limited

1500-1510

Conference closure

David Butler
Chairman, Butler Cox & Partners
Limited

Session A Sunday 13 May: 1830-1930
Management productivity and information technology

Investments in information technology can pay off handsomely for some businesses and apparently be a waste of effort for others. This phenomenon, suspected by many, has now been documented by a new research programme on "Management Productivity and Information Technology".

In the pilot phase of this programme, the Strategic Planning Institute has collected detailed historical information about the cost structure and strategic position of 35 businesses manufacturing consumer products, components, or semi-finished materials, in North America and Europe.

Analysis of this sample of 35 businesses shows that management productivity is not directly related to the level of information technology expenses. Further analysis reveals that this can be explained by the fact that businesses in poor strategic positions are unable to obtain gains from information technology regardless of the level of expense. Well-positioned businesses, however, show significant improvements from increased use of information technology.

As far as is known, this is the first study that demonstrates the economic effect of applying information technology to management at the business level. The productivity of executives, managers, administrators, and professionals cannot be satisfactorily measured with the standard industrial engineering input/output techniques. The new PIMS approach for measuring management productivity is based on identifying the economic value-added contributed by the overhead staff, a concept developed by Paul Strassman at Xerox.

Current programme activities focus on substantiating the pilot programme findings with a larger number of businesses over a broad range of manufacturing and service industries. Subsequent results are expected to provide guidelines for improving management productivity and using information technology based on observed success patterns.

Gus Van Nievelt Strategic Planning Institute



M. C. A. ("Gus") van Nievelt was born and raised in the Netherlands, where he received degrees in chemical and biochemical engineering from the Delft Institute of Technology. He started his career in the Swiss pharmaceutical industry.

In 1960 American Cyanamid brought him to the United States to manage the antibiotics process development group at their Lederle Laboratories Division. He subsequently managed pharmaceutical operations in Argentina, Brazil and Mexico, became Manager of Cyanamid's total Latin American manufacturing operations (including non-pharmaceutical) and ended his South American assignment as VP Manufacturing & Engineering of Cyanamid do Brasil.

In 1968 he returned to the United States to head the Exxon/Nestlé joint venture in biotechnology and in 1971 he moved to Nestlé's headquarters in White Plains, New York, as General Manager Manufacturing Services and Product Development.

As Director of Nestlé's Corporate Management Services he developed their strategic planning and decision support systems. Since 1982 he has been a consultant to corporations on the implementation of these management tools, and is now Director of the PIMS Program, operated by the Strategic Planning Institute in Cambridge, Massachusetts.

Session B Monday 14 May: 0845-0945

Meeting the management challenges posed by new information technologies

Developments in information technology mean that, in the next five years, everyone will have information tools available to them, from the chief executive officer to the typist. There will be a proliferation of new communication channels and tools. Already in the United States, organisations are investing \$10,000 for each information worker.

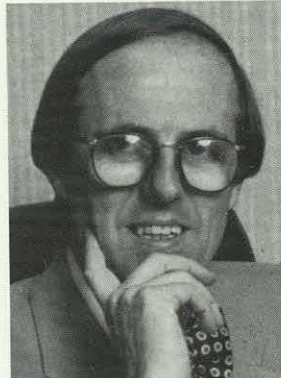
1. The economical and political challenge

Many different countries and organisations are positioning themselves to take advantage of the demand for information technology. M. Naugès will identify the strengths and weaknesses in this area of the United States compared with the rest of the world, and will highlight the differences between different European countries. He will also address the issue of competitiveness, both on a worldwide and a national basis, and also between organisations in the same economic sector.

2. Information technology presents a multi-faceted challenge

The cost of the information tools is but the tip of the iceberg. The real management challenges are in the organisational, human and financial issues created by the technology. M. Naugès will identify these challenges, and will conclude by highlighting the opportunities they present to large organisations.

Louis Naugès Bureautique SA (Groupe Dataid)



After completing his studies at Ecole Supérieure d'Electricité (1966), and Institut d'Administration des Entreprises (I.A.E., 1967), Louis Naugès, 39, began his career with a computer manufacturing company, and then a maritime shipping company.

In 1970, he enrolled in the MBA programme at North Western University, in Chicago. Since his return to France, he has worked as an independent consultant and served as a professor at I.N.S.E.A.D., Institut d'Etudes Politiques, Ecole Supérieure d'Electricité, and Institut d'Administration des Entreprises.

During this period, he became involved in the area of office automation which was an unknown concept in France at that time. In 1976, he coined the word "Bureautique"¹, which has become accepted as the French word for office automation. Through numerous articles and conferences, and consulting contracts, M. Naugès has actively promoted the introduction of office automation (bureautique) in the French business community.

In 1980, he formed his own company, dedicated to consulting and software systems in the area of office automation. This company, Bureautique SA, is the foremost company of its type in France and continental Europe, and is associated as a subsidiary with Groupe Dataid, which is a large software engineering firm in Paris. M. Naugès is actively continuing his teaching responsibilities as well.

¹ Bureautique is a Registered Trade Mark.

Session C Monday 14 May: 0945-1045
Integrating advanced production systems with information systems

Six years ago Mars Electronics established a ten year strategy centred around the development of a plant capable of designing and manufacturing a wide variety of products.

It was clear that small companies could survive against larger more efficient competitors due to their focused marketing, technical innovation and smaller overhead. The challenge was to integrate several businesses and obtain true economies of scale without adding stifling bureaucracy.

The problem was (and is) that both direct and indirect efficiency improvements are hard to realise if the expansion is not "more of the same".

An analogous situation had occurred in computing where machines installed in the more complex businesses were crammed full of sophisticated and expensive housekeeping and scheduling software and yet were still not achieving the efficiency or flexibility required.

Mars' approach was to mirror the computer industry's move to database systems and networking, the objective being to sustain the creative environment of the small business within a system designed to support rather than control.

The concept of decentralising control to users but providing access to shared resources has major human and technical implications.

Clive Lattimer will discuss these implications, along with the benefits already accruing from the first phase of implementation.

Clive Lattimer Mars Electronics



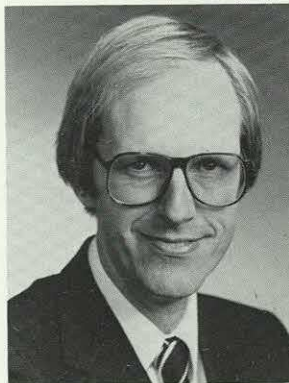
After graduating from Bristol University with a Physics degree, Clive Lattimer joined Mullard in 1971 and worked on the development and production of special valves, X-ray tubes and image intensifiers. In 1976, he became responsible for all channel plate image intensifier production, and in 1977 transferred to Mars Money Systems, a £1M company making coin mechanisms for the vending industry. He

initiated a £10M investment programme in automation and systems, while increasing output by 30% per year, and improving efficiency by 15% per year. In 1981, he was appointed Manufacturing Director of Mars Electronics. The company has a new 90,000 sq. ft. production facility which incorporates automated stores and guided vehicle transporters integrated with database scheduling and information system. There are plans for a further £20M investment over the next five years on a wide range of futuristic automation. The output this year is £25M in products that include Marine Radar and Test Systems sold into 40 different countries.

Session D Monday 14 May: 1115-1230
Advances in office technology

Mr Mackie is a student of both the office and technology and will examine the difficulties in measuring the effects of technology in the office. Productivity and the very special role of people in the office will be related to communication of information, and the relevance of today's integrated communications systems to achieving results in today's business environment.

James Mackie Mitel Corporation



Mr James Mackie is Vice President of Office Technology with Mitel Corporation in Canada. He is a graduate of the University of Saskatchewan where he majored in Biology and Chemistry. After several years of work in various laboratories of the federal government in Ottawa, where he developed further his interest in the design of research equipment for the biological sciences, he returned briefly to the

University of Waterloo to study Systems Design Engineering.

In 1976 he joined Mitel, assuming responsibilities for advertising, promotion and technical writing/publication. He believed that it was feasible to assemble and print technical documents electronically. In 1979, he persuaded a consortium of vendors to assemble the world's first electronic publishing system at Mitel. This system also translates the documents into five languages and two dialects.

Mr Mackie has special responsibility for framing office technology concepts leading to the development of the office products component of the SX-2000 Integrated Communications System: a digital voice/data switching system Mitel has designed to function as the "hub of the automated office".

Session E Monday 14 May: 1400-1515
Preparing the company for the information age

During the last twenty-five years computer staff have enjoyed an independence from the main body of corporate staff and have designed systems for equipment which, in the main, has remained within their own management supervision. But today the trend is firmly towards corporate staff at all levels operating directly both personal systems and sub-sets of the corporate systems. The focus for the future will be on dispersing facilities and systems to the furthest periphery of the company, and on developing systems to connect with other companies and the public.

This change of focus poses considerable management challenges for professional computer staff, corporate line management and company general staff. In future, systems professionals will be working in a much broader context, often fully within the trading environment of the company. Computer staff will therefore need to be educated to focus on communications and behavioural skills and on the commercial practice and requirements of the company.

Many corporate line managers are overloaded with information provided by their company's computer-based system, and are incapable of using the information they have. Yet few of them are able to specify their information requirements in an imaginative way. Managers must be trained to develop the ability to define their information requirements and to exploit the potential of information. The general education of management must also place more emphasis on the background to systems design. More and more line managers will in future be faced with design problems as personal systems become available, and their own efficiency will be enhanced by competence in systems specification.

At intermediate staff levels all company professionals will require practical training in programming and user techniques and in the retrieval and handling of information. Mr Bagnall will argue that the key to successfully preparing a company for the information age lies in improving the dialogue between computer professionals and their users. If this does not happen, disintegration will follow decentralisation.

Peter Bagnall W H Smith & Son



Peter Bagnall is Managing Director Staff and Services of W H Smith & Son Limited.

A main board director since 1968, his function covers Staff and Training and Management Services as well as other service activities. He was previously the W H Smith director responsible for Buying and Marketing.

He is Chairman of Book Club Associates and a director of

Teleordering Limited — the central ordering system for the book trade.

He joined W H Smith after a period as a management consultant with Peat Marwick Mitchell. He is a Cambridge Law Graduate.

Session F Monday 14 May: 1545-1715
The strategic impacts of information systems

The information systems enterprise is now traversing a major watershed. A company's computer systems can no longer be thought of as just a vital means of paperwork processing; they have even become more than essential management tools. A firm's information system must now be recognised as one of its primary business assets, which must have a major influence on the definition and execution of the company's fundamental business strategies.

This presentation will explore the ways in which some companies are using information systems to gain a competitive edge in the marketplace, and how others are redefining the very nature of their businesses through the creative use of information technology. These phenomena will be considered by examining the forces that are driving this evolution, and by means of a conceptual framework for the strategic uses of information systems. Dr. Hammer will examine the impact that the new age in information systems is having on the firm as a whole: on strategic business planning and execution processes; on organisational structures; on the mission of the data processing organisation; and on the role of senior management. He will also consider the ingredients for success in this era of strategic information systems.

Michael Hammer Hammer and Company Inc.



Dr. Michael Hammer is one of the world's leading authorities on the development and application of modern information technologies. He is particularly well-known for his pioneering work in strategic planning for office automation and personal computing. Dr. Hammer is President of Hammer and Company, Inc., a consulting firm that specialises in the strategic implications of information systems. Dr.

Hammer and his firm provide a variety of consulting and educational services to large multinational firms in banking, insurance, manufacturing, and other industries. Dr. Hammer is on leave of absence from a faculty position at the Massachusetts Institute of Technology, where he has taught in both the School of Engineering and in the Sloan Senior Executive Program. Dr. Hammer holds a PhD. in Computer Science from MIT, and has published widely in the technical and managerial literature. He is a sought-after speaker in the United States, Europe and Japan.

Session G Tuesday 15 May: 0845-0930
In-depth interview with Dr. Michael Hammer

During this session David Butler, Chairman of Butler Cox, will conduct an in-depth interview with Dr Hammer. The aim will be to probe more deeply some of the views expressed during Dr Hammer's presentation on Monday afternoon, in the light of comments made by delegates after the session. Dr Hammer will be invited to expand on any relevant points made during his presentation as appropriate.

Those delegates who would like David Butler to raise a specific issue with Dr Hammer during the interview should brief David during Monday evening.

Session H Tuesday 15 May: 0930-1045
Using technology to shape the business

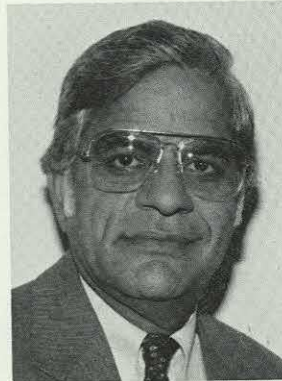
During this session, Kailash Khanna will describe American Express Company's experiences of using information technology to shape the business.

The American Express Company is a decentralised organisation of five inter-related businesses: travel-related services, international banking, stock brokerage, insurance and investments. It is a major competitor in the financial services industry, an evolving industry which unifies formerly separate businesses such as banking, investments and insurance in an atmosphere of increasing de facto deregulation. The marriage of computers to telecommunications has transformed the structure and nature of this business, turning systems into key competitive weapons.

In a heavily decentralised company like American Express, strategic planning both for business development and systems support is complex and hard to achieve. Both types of planning are decentralised, and the corporate planning staff gains success through influence, rather than dictation. The strategic relevance of systems for each of the major business units varies according to its position in the changing financial services industry.

Some systems-based competitive initiatives that have been used to shape the businesses will be described, e.g. the expanding network of automated teller devices that enable American Express to provide convenience and accessibility to customers where they live, work or travel.

Kailash C. Khanna American Express Company



Kailash C. Khanna is Vice President of Corporate Systems and Technology. He is responsible for the functional direction of information systems and telecommunications planning, for assessment of new technologies and for corporate information systems. He joined American Express in 1979 after fifteen years with the airline industry (TWA and American) in a variety of systems and operation research capacities.

His last position with American Airlines was Senior Director of Operations Research and Data Processing, where he was responsible for systems development, dp services, operations research and long-term planning.

Mr. Khanna has a Doctorate and Masters in Operations Research and Engineering Science from Columbia University in New York and a Bachelors in Mechanical Engineering from Delhi University of India.

Session I Tuesday 15 May: 1115-1230
Identifying critical success factors

Over a period of ten years, Professor Heyvaert was a member of a research team that carried out three successive empiric studies, based on the direct observation of 160 Belgian industrial firms. The aim of these studies was to identify the factors that were critical to long-term successful commercial performance. During this presentation, Professor Heyvaert will discuss the research findings.

The research showed that factors such as business sector, size of the organisation, and size of research budget did not have a significant impact on overall economic performance. The most significant factor identified concerned the decision-making method used, which can be described by four explanatory variables built from different indicators (one of which is the information that is available to decision-makers).

Professor Hubert Heyvaert University of Louvain



Hubert Heyvaert is Professor at I.A.G., the Business School of the University of Louvain, where he teaches business policy and management control courses both to full-time students of the Business School, and to mature students attending the University's Management Training Programmes. He has also lectured widely to in-house senior management courses run by large companies, including Philips, SABENA,

Thompson and IBM. In addition, he is responsible for the Advanced Management Programme in the Business School of Louvain University.

Professor Heyvaert has undertaken research and consultancy assignments on behalf of the Belgian Government (to investigate specific companies in economic difficulty). He has also assisted several large companies in formulating their strategic plans.

Professor Heyvaert studied law at the University of Louvain (graduating in 1960). He studied at the Harvard Business School in the early 1970s, and gained his PhD in Applied Economics from the University of Louvain in 1973.

Session J Tuesday 14 May: 1400-1500
Linking business strategy with systems planning

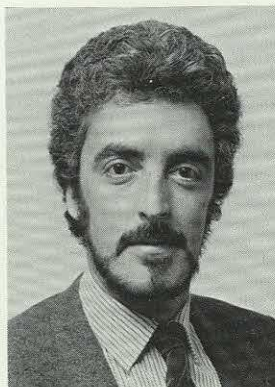
Business strategy is concerned with matching organisational resources to external market conditions in order to achieve long-term commercial objectives, such as growth or increased profitability. On the other hand, systems planning is about forecasting user needs, and ensuring that an appropriate mix of hardware and applications software are in place to meet changing demand patterns. Superficially, there does not appear to be a close link between these two activities.

However, in many industry sectors, long-term commercial survival is becoming critically dependent on the provision of flexible systems and network facilities. Failure to make the correct systems and network decisions today could reduce a company's long-term commercial options.

To narrow the gap between business strategy and systems planning, new techniques will be required to integrate these two activities. These techniques will need to measure the impact of systems performance both on internal business efficiency and on external strengths and weaknesses. They will also need to specify new organisational approaches to ensure closer monitoring of systems productivity in the context of overall business performance.

In this final session, Roger Camrass reviews current practices in the area of strategic management of information technology, and provides useful indicators as to how organisations can bring together the business strategy and systems planning functions.

Roger Camrass Butler Cox & Partners Limited



Roger Camrass is Director of Butler Cox's telecommunications studies. He has many years' experience both in the telecommunications industry, and as a consultant.

Roger Camrass' industrial experience includes periods spent both as an engineer and as a marketing manager. Mr Camrass is a graduate of Cambridge University (Electrical Sciences Tripos) and of the Massachusetts Institute of

Technology (Master of Science Programme). He has delivered many papers at UK and international conferences and is a frequent contributor to trade magazines and journals in the electronics industry.

See overleaf for registration details

Registration for the conference

To register for the conference please complete the form opposite and return it to your national Butler Cox Foundation office (the addresses are on the back of this booklet) by Monday 30 April. We will acknowledge receipt of each registration.

Accommodation

Delegates will stay at the Hotel Bel Air in The Hague, and all meals (apart from the Conference Dinner on Monday evening) will be taken in the hotel. We have arranged a package on behalf of conference delegates which includes accommodation for Sunday and Monday night, dinner on Sunday evening, and breakfast and lunch on Monday and Tuesday.

The cost of the package is 460Hfl. This amount, together with any additional charges incurred by the delegate, should be paid direct to the Hotel Bel Air at the end of the conference.

Companions

We have also made arrangements for wives or husbands to accompany delegates to the conference. The cost of the companion's package, which covers shared accommodation, breakfast, lunch and dinner for the duration of the conference, will be 316Hfl. This amount should also be paid direct to the Hotel Bel Air.

Companions are invited to join the delegates as the guests of Butler Cox for cocktails on 13 May and for the Conference Dinner on 14 May.

The Hague

Through the centuries, the Royal city of The Hague has been the central point of Government in the Netherlands. But it is also a large pleasant city, full of trees, parks and flowers, with a fishing harbour and yacht harbour. The old part of the city is a shopper's delight, with a wealth of antique shops. In addition, theatres, concert halls, museums and other entertainments provide a wide choice to meet the needs of everybody.

Both Amsterdam and Rotterdam can be reached easily by public transport. Finally, the conference will be held during the bulb season, and the Dutch bulb fields are also in easy reach of The Hague.

Messages

During the conference, Butler Cox staff will be available to take messages on behalf of delegates. The appropriate telephone numbers are:

- Hotel Bel Air + 31 70 572011
- Conference centre + 31 70 512851

Registration form

Please register me for the conference and book hotel accommodation on my behalf to cover the period commencing in the evening of 13 May and ending after lunch on 15 May.

I understand that if this booking is not cancelled on or before 4 May 1984, any resulting costs incurred by Butler Cox will be invoiced to my organisation.

Member Organisation _____

Delegate Name _____

Position _____

Address _____

Telephone _____

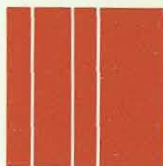
Telex _____

I will be accompanied by: _____

Please book the companion's package on his/her behalf.

Signature _____

Notes



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