



IT Planning: Optimizing the Information System



Renault maps its information system with MEGA

The Renault Nissan Group commits to a mapping process for all of its data and business processes. With MEGA's assistance and based on that company's mapping tools, Renault now has a mapped data repository available to any member of the group via the intranet.

At the same speed with which it is expanding internationally through buy-outs (Dacia, Samsung) and partnerships (Alliance with Nissan), the Renault Group is implementing new mechanisms for creating value. Thus, since the company acquired 99.3% of the equity capital of Dacia, the Romanian manufacturer, in February 2004, Renault has set its heart on developing a modern, reliable car starting at a purchase price of 5,000 euros. Launched in 2004, the new Dacia ought to be manufactured at a rate of 500,000 cars per year until 2010. Furthermore, by creating the Renault Samsung Motors brand in September 2000, the car manufacturer is attacking the Korean market, the second largest market in Asia, with 1.5 million sales per year. Its ambition is to garner at least 10% of that market in 2004. To meet its goals, Renault relies on 26 production sites across the globe: 10 in France, 5 in Western Europe (Spain, Portugal, Slovenia), and 11 in other spots around the world (Argentina, Brazil, Chile, Colombia, South Korea, Malaysia, Morocco, Romania, Turkey, and Uruguay). Through the alliance with Nissan, the group benefits from global coverage.

An overview of the entire information system

These developments have resulted in large and complicated processes and information systems, thereby causing a need to map them in order to have a global overview of the entire information system. As Renault Functional Architecture and IT Planning Management is part of the DTSI (Information Technology and Information Systems Management), this management team's mission covers the entire Renault Group, including Dacia and Samsung, and is responsible for pilot testing the modeling of information systems and making a veritable strategic tool.

Its goal: to improve how all levels of the information system are portrayed, in order to allow operational management teams to make strategic decisions; to pool data and control interfaces between information systems; to facilitate communication with clients, decision-makers, partners, Nissan, projects, etc. To better meet these needs, the department in charge of functional architecture and IT planning to DTSI has undertaken an IT planning process for the information system, which covers functional mapping, data modeling, and application mapping.

+ Controlling the modeling information systems and making a veritable strategic tool

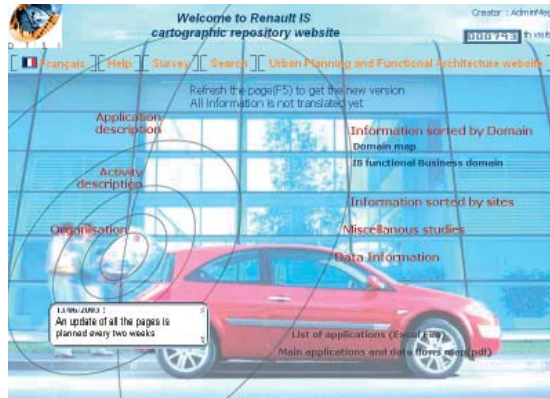


+ to better understand the existing set up, capitalize on the information, and clear the path for possible changes.

In 2001, IT planning was a new concept for Renault. With MEGA's help, the Information Technology and Information Systems Management launched that process, in order to align the information system with the business lines based on the vision of future needs. *“IT planning for information systems is a methodological answer to a question the Executive Management team posed to the Information Management team: ‘Can you assure me that the IT costs are maximized in relation to the service provided?’* clarifies François Tabourot, MEGA's Chief Operating Officer.

Project Deliverables

Above all, this means creating a benchmark document: the functional “base map,” which is based on the division into IT zones corresponding to the corporation's primary business activities and the building of information system targets for each domain, according to three axes: organization, geographic and products/services. This first step will allow us to better understand the existing set up, capitalize on the information, and clear the path for possible changes.



The Enterprise Architecture repository is available via Intranet, accessible 24 hours a day, 7 days a week.

MEGA'S OFFERINGS FOR MAPPING AND IT PLANNING

MEGA works on numerous enterprise architecture projects to optimize business processes through IT planning. Its expertise is provided by teams of consultants and is capitalized on by use of its modeling products: MEGA Process for process analysis and MEGA Architecture for optimizing IT architectures.

MEGA's application mapping and IT planning solutions rely on its MEGA Architecture product, which offers Information Technology Managers a frame of reference. This tool allows one to draw up application maps – applications and messages exchanged – in conjunction with functional planning maps – blocks, zones, and districts. With the help of automatically generated documents and Web sites, MEGA Architectures produces quality deliverables that facilitate information sharing and communication between all parties involved in the projects.

Each year, MEGA completes 15,000 man-days on projects for large corporations operating in various industries and collaborates closely with financial decision-makers.

+ The modeling repository is a required element of our methodology in IT planning

While implementing this project, the department in charge of functional architecture and IT planning should reconcile two contradictory requirements: the data repository should be complete, but the system should remain easy to understand and consult. The more planes there are to read, the more complex the map becomes. Therefore, certain planes were sacrificed and simplification was favored in order to be more proactive. The corporation is limited by its capacity to document everything: this is a long and exacting task, and the user may feel frustrated as long as not all of the data is referenced. Thus, the group chose to compromise: being more comprehensive on one diagram and focusing on the applications and activities. Therefore, even if it isn't yet possible to have a comprehensive understanding, IT planning is already pointing out simplifications that can be made.

After one year of use, the mapped data repository includes an inventory of 2646 activities, 2377 functional blocks and functionalities, 2280 applications, and 3766 data units. This information is permanently enhanced by various data providers: 18 IT planners-architects at headquarters, 5 distributed IT planners-architects (Brazil, Romania, Korea, Spain), project teams (currently only a few of them), and soon, Nissan. After documenting the central applications, activities, and architecture studies, the mapped data repository will expand to cover local applications, then data and business processes, and lastly, IT planning studies and reusable services.

The primary users of this data repository, which is the same for everyone, are the MIS sections that build the application center, those responsible for new projects, those responsible for customer relations, and business line management teams. The data repository is available in two, soon to be three, languages (French and English, soon Japanese), to every member of the Renault Nissan Group worldwide, via a consultable intranet, which can be accessed 24 hours a day, 7 days a week.

The modeling repository allows to analyze the impacts on a change, as well as to identify the opportunities to share. (What are the applications that have similar functionalities? What are the applications that automate similar activities?) This is a required element of the methodology in IT planning.

RENAULT GROUP

The Renault group has over 350 industrial and commercial sites in over 40 countries, and employs 130,740 people worldwide. In 2003, the group generated revenues of EUR37.5 billion, an increase of 3.8%.

The group's profitable growth strategy is based on three main priorities: competitiveness, innovation and international development. Renault's bi-national alliance with Nissan - 5,357,315 vehicles sold in 2003, one of the world's top five automobile groups - is part and parcel of this strategy.