You're known world-wide for your accomplishments in deploying information technology, through systems such highly regarded systems as Levi Link, to enable Levi Strauss's success. Can you summarize your viewpoint on the value of information technology to business?

Although I'd describe myself as a heat-seeker,¹ when it comes to applying IT in business, it's more about what you can do with it. What is it enabling? What is it driving? The point is... we don't pursue it for technology's sake. We pursue it because it enables something or creates some opportunity or solves some problem. I've tried to take that approach. When my rate of change or pushing of the opportunity gets in front of the business's ownership—their readiness to take IT on—it will create some friction. There's an art form for CIOs to recognize when that's occurring. Sometimes frankly you have to slow and wait for things to get ripe enough so you can have a success.

You're not talking about technology issues here, are you?

It's much broader than that. There are four things you have to do to get a successful enterprise today, especially a global enterprise:

1. You've got to have the right business processes.
2. You have to have the right enabling technology for those business processes.
3. You have to have the right human skills, people skills; a trained and excellent work force that's flexible and knowledgeable, and has the right knowledge content.
4. And you have to have a structure—an organizational structure—in which you

¹ Individuals fascinated with the hardware and software details of information technology often refer to themselves by colorful names, such as "gearheads" and "heat-seekers".
can mix all of those ingredients in order to get a success.

How interdependent are these four things?

The way I see all those things, Jim, is that they're very interdependent. Whichever one of them is the weakest link is going to determine where your point of failure is. So, if you want to think about rolling out some enabling technology...it's not enough to think about just the technology. You have to ask yourself: "What do the business processes have to be to take advantage of this? Who has to own them? How does that ownership come about?"

You've got to think: What do people need to know about when you're ready to throw this over the transom? What special learning investment do we have to make?

What's the impact on the organization structure? Does this new information technology mean that we're not going to have the same people doing the same jobs and working in the same way?

What about the information technology?

Then you deliver the technology itself. You can talk about it from an information technology perspective. Where it fails is when we tend to think that all we have to do is deliver the system. If you don't deal with those other opportunities or points of failure, depending on how you want to define that, then the organization will, in the blink of an eye, absorb the new technology in a status quo way. You'll watch a $40 to $100 million investment in new technology create no business benefit.

If I want to do something, and it's of any sizable scope, I had better figure out who is the business owner. I had better team up with the organization design people. I had better figure out what people need to know. Then you can begin to think about deploying the technology.

Is Levi Link an example of that?

Levi Link underscores some of the learning that is needed. With Levi Link, we created the electronic linkages to our customers and suppliers. It was very, very successful. It showed very quickly what it was like to be able to move precise information about what was moving in the market place to this complex at the speed of light.

The reason we wanted to do it was to align our manufacturing with what we were selling. What did it take? We had to figure out a standard identification to have the vendors mark our product. We had to convince the business units to spend money to put that on each garment when the retailers weren't asking to do it yet. We had to convince the retail industry to have the right standards to invest in bar coding. There had to be EDI [electronic data interchange] communication standards.

We teamed up with other companies—clearly taking the leadership role—to make it happen. All of that happened and we got the information here.

Then you had to look at the business processes to take advantage of the information. How did that come about?

I teamed up with our chief operating officer. Another art form for CIOs is to recognize what they can legitimately sponsor and what they can't. I started the momentum inside our company around the term "quick response," an important concept in the apparel industry, meaning "time-to-market." Then we leveraged that up after a couple of meetings to improved customer service. We saw it in a broader perspective. He and I became the executive sponsors to take on the customer service initiative.

We asked: So that we have the information here, what do we have to do to our people skills, and to the organization? What technology do we need to essentially smash all of the unnecessary time out of the supply chain? What do we have to do to achieve the customer service targets?

There were debates: What's it going to do cost? What are the benefits?
Most observers might suggest that Levi Strauss capitalized on new developments in information technology: EDI, advanced point-of-sale systems, bar coding systems. At the same time, there's a lot of talk about whether IT should drive business planning or if it's best used to enable the implementation of business plans once they are created. What does your experience with Levi Strauss suggest about the driving versus enabling role of IT?

I would say you're driven if the competitive pressures are causing you to respond because you're behind. I would say you're enabled if there are opportunities out there that you can take advantage of that someone else has not taken advantage of.

I would say IT was the enabler at Levi Strauss. At the time we jumped in it was an enabling opportunity. The reason for jumping in was not as much around the things you're citing, Jim, as around our always wanting to know what was selling...in real time. We always felt that if we knew what was selling, we could produce the right garments, and continue to improve the thing that has always been our goal, which is customer service: having the right product at the right place at the right time. So that was the initial motive.

If you want to know what's selling, you have to step back and figure what you have to do. Somehow we have to mark the garments; somehow we've got to create EDI ways to have point of sale capture and transmit back and forth. That was the type of thing in the beginning. Then it led to the question: "What do you have to do to make this happen?" Out of that came the true enabled opportunities of creating new electronic product and services: Oh, OK. If we knew this, then we could come up with a sell-through analysis and reporting. You could say to the retailer, "In your region, this product is hot and your competitors have it and are selling it. You ought to have it too." You can make a pretty convincing case based on this real information.

What I'm trying to underscore is that the Levi Link offering started with a concept and built to a rather rich range of electronic products and services.

Are you viewed as senior vice president first or as CIO first?

I don't know whether they could respond along those lines. I think they would respond that "He's a peer. He's viewed as a member of the eight-person global leadership team that sets the context and direction for this company." The unique thing that I bring, that others might not bring, is an information technology perspective.

What is the role of the global leadership team?

Our role is to create the context for the company; the global strategies; the vision. It's the business unit's responsibility to actually execute.

We have to be clear about what we stand for and what are our values. We have to be clear about our aspirations and mission statement, which I want to talk to you about at some point. We have to be clear about what our mission is. It's critical. Where companies typically go awry is that they don't keep those things alive.

As you think back on the folks who have started their career with Levi Strauss, or for that matter any company, do you see particular things the most successful people do to help their company and within that, help their career?

That's an interesting, complex question. You can answer it simply or you can answer it with a lot of context and complexity.

The simple answer is that [in the most successful cases] I see people that are in touch for what they stand for. You know, at a gut level, as individuals, and where their passion comes from. And if they are able—and this should be really simple for all of us, but I think its extremely difficult—if you can be in touch with what turns you on about the work and what you choose to involve
yourself in, you have the highest probability of success. I don't care whether it's information technology or another area of business, or whatever else.

At the college level and beyond into the workplace, we arrive with so many external forces, whether they be parents, friends, peers, or self-induced forces, about what success should look like. Therefore, it's almost impossible to find out what we enjoy. If I was giving advice, I'd suggest forgetting what anybody else tells you and try to get in touch with what you get enjoyment out of. If you can match that enjoyment with the work opportunity, it'll carry you through for life and you'll get the most fun out of it.

It'll be fun for you. And if you don't, you'll not only be sort of miserable, you'll essentially search through career patterns until you are able to self-select the things you enjoy. The earlier you can figure it out, the better off you'll be.

Thanks for sharing that, Bill.