



Investment in old-school IT will end at Hella



German lighting and electronics specialist Hella wants to become an agile business partner to the auto industry. In an interview with our sister title, automotiveIT, CIO Felix Willing talks about the IT architecture areas where work still needs to be done and the need for urgency in the era of digitalisation. The chemical engineer, who moved into IT responsibilities in previous career steps, took over as CIO at the German company in January 2018. By Hilmar Dunker & Yannick Polchow

AutomotiveIT: Can you explain your role as CIO in the global operations of Hella.

Felix Willing: It's simple. In Lippstadt, Germany, where Hella is headquartered, we have an IT organization with around 100 staff and in the individual countries where we are present the setup is similar. We have seven hubs with the same type of organization. In practice, I am CIO of this shared-service-center organization. That's the corporate role I play; I represent the company's interests. On top of that, I head the information management area at the parent company Hella.



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You started in your position in January 2018. Are you building upon what has already been achieved or will you make big changes?

Despite a high degree of maturity in the IT organization, we will make some changes. But, so far, we are still analyzing what kind of capacity we need. We are developing into a business partner.

Reorganizing means that we will go into individual business areas and look at how processes are managed and with which resources. Then we'll see which improvements we can make. For example, we want to consolidate applications – an MES system – and strengthen areas by putting in place a consistent application landscape.

You are operating in a faster, more agile business world. How is Hella dealing with this new environment?

In various ways, which is why I have for years been relying on external expertise. To run projects in four-week cycles is a completely different world. We're clear that that's the way forward. We are also trying to bring working conditions in line with this new world. We used to have long hallways with small offices and people would hardly see each other. Today, these areas are open and laid out for communications. The changes are very visible.

Around 600 people work in Hella IT. Is that the right size for the team or would you like to have additional data scientists and machine-learning experts?

We have a few vacancies and at the moment are looking for 30-to-35 new colleagues. We're looking for staff with skills that are relatively rare in our current workforce. Knowledge of the cloud, IoT and machine learning is absolutely essential. But we also need classic managers, key account executives who understand the business. We don't have enough of these either. But we don't plan to invest a lot in old-school IT anymore and will increasingly buy in commodity services.

What does your IT budget for 2019 look like? Will it grow or decline?

Hella is growing at the moment. You could ask the question this way: Will IT keep pace with that growth or will we keep it lean? That's obviously a discussion we're having. There will probably be a healthy mix and we're not talking about an either-or situation. Strategically important issues such as the rollout of SAP S/4Hana require investment. On the other hand, we will further optimize our running of the business, for example with commodity contracts.

How do you work with Rainer Holve, who is responsible for digital innovation at Hella?

Rainer Holve is focused on product IT and innovation, while I am responsible for corporate IT. These are separate but there is also a certain overlap. When there's discussion of applications, architectures and platforms, we get involved. We are also working closely with our product development teams. You cannot make a hard distinction; we work together. A lot is decided in special consultation rounds that bring everyone together. We bring in our expertise, for example in



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cloud technology and related issues such as how do I build a cloud and how do I connect with customers' clouds. Those are issues we can deal with on the basis of our role in the enterprise architecture. Rainer Holve is more focused on the digital aspects, for example on ideas that come from our incubator or from our Hella Ventures unit in Palo Alto.

In which direction is product IT going at Hella?

You should ask Rainer Holve, but I can say this much: In the area of sensor systems there is room for further development. We are, for example, working on sensors that can transfer their data via the cloud so that other traffic participants can share them.

What are the top issues in corporate IT in 2019?

A central issue is digitalization and everything related to it. We will be heavily involved in SAP S/4Hana as a transformation project, which is a core issue. In this context, we want to create a template for production systems. A further focal point is the rollout of comprehensive functionality in our various countries, and, of course, process optimization, which is always an issue.

Are you inclined to fully outsource certain projects?

We indeed try to outsource commodity projects. The biggest one recently has been our data center, which we are handing over to IBM. But we pay close attention to what we consider our core competencies and how we handle these. But clearly we don't need to run ourselves what doesn't bring any added value to the company. IT is taking on more of a consulting role.

If you had to pick one thing that you could change right away, what would it be?

I don't have to think long: our workflow system. Processes have grown historically and they're not always intuitive. Many applications are outdated. I assume we're not the only ones dealing with this. We have taken on the task and I expect us to have made some significant steps in 18 months' time. Staff today like applications that function in a very user-friendly manner: with buttons, tiles and intelligent follow-up. The consumer industry is leading the way. We have to compress information and make it as easy as possible for people to do their jobs.

