

## JATCO France: People who embody entrepreneurship

The idea of entrepreneurship, which was added to JATCO's corporate philosophy in April this year, is spreading not only in Japan but also globally. In the third installment of "People who embody entrepreneurship," we spoke with Guillaume LE FESSANT, GM of JATCO France.



Guillaume LE FESSANT

### **Please tell us your honest thoughts about adding entrepreneurship to your values.**

We entered a once-in-a-century transformation period in the automotive industry, VUCA\*<sup>1</sup>, that we must continue to respond to drastic changes. Entrepreneurship mindset is what we need now. It is very positive that it became a shared value. I spoke with the members considering entrepreneurship in advance and shared various ideas. Personally, I think the notion to “embrace the change” is better than to “enjoy the change”: let’s welcome the change, as a constant in the world, even it is not enjoyable at every moment. This will lead to more suitable mindset and a more positive outlook.

### **Please tell us about the practice of entrepreneurship at JATCO France.**

The book "Antifragile: Things that Gain from Disorder (N.M.Taleb)" highlights several

insights for surviving this era by being more resilient. JATCO France has been taking various actions for a long time, with entrepreneurial mindset, thinking about what to do to provide products that meet the needs of the market. We have been taking an unconventional approach by thoroughly considering what kind of product we develop and why we develop it.



with France members

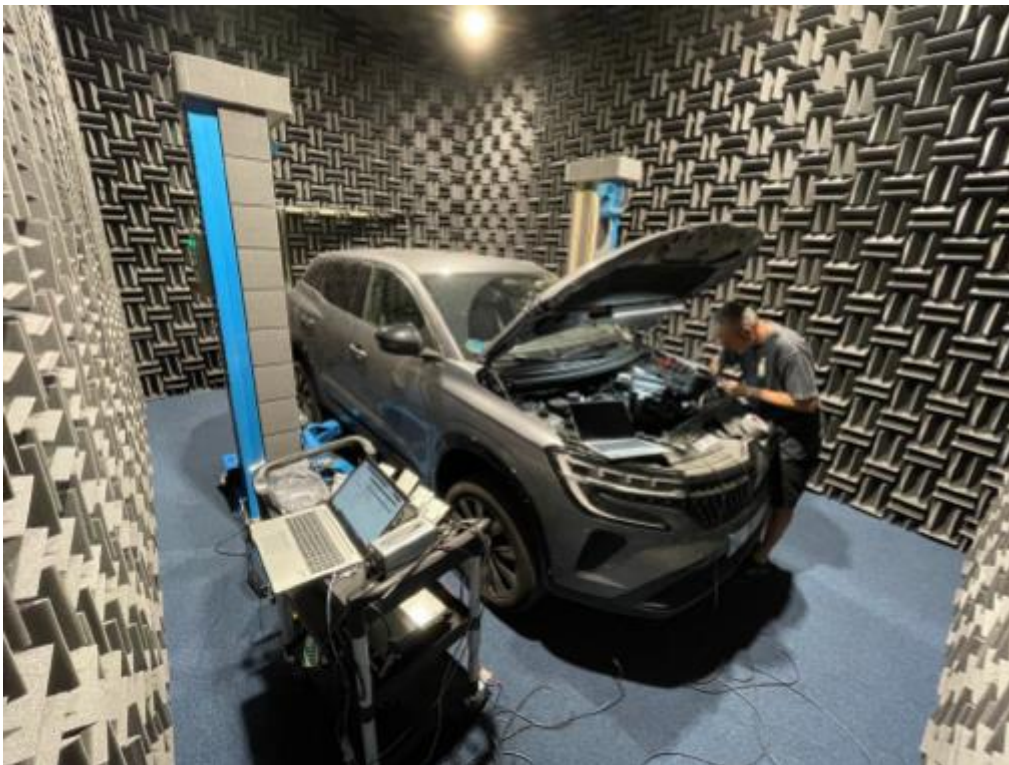
**Please tell us about some of the specific initiatives.**

Although JATCO France is a small group of 19 people (13 in France and 6 in Spain), the scope of work is wide, so we need to make quick decisions and respond flexibly and agility.

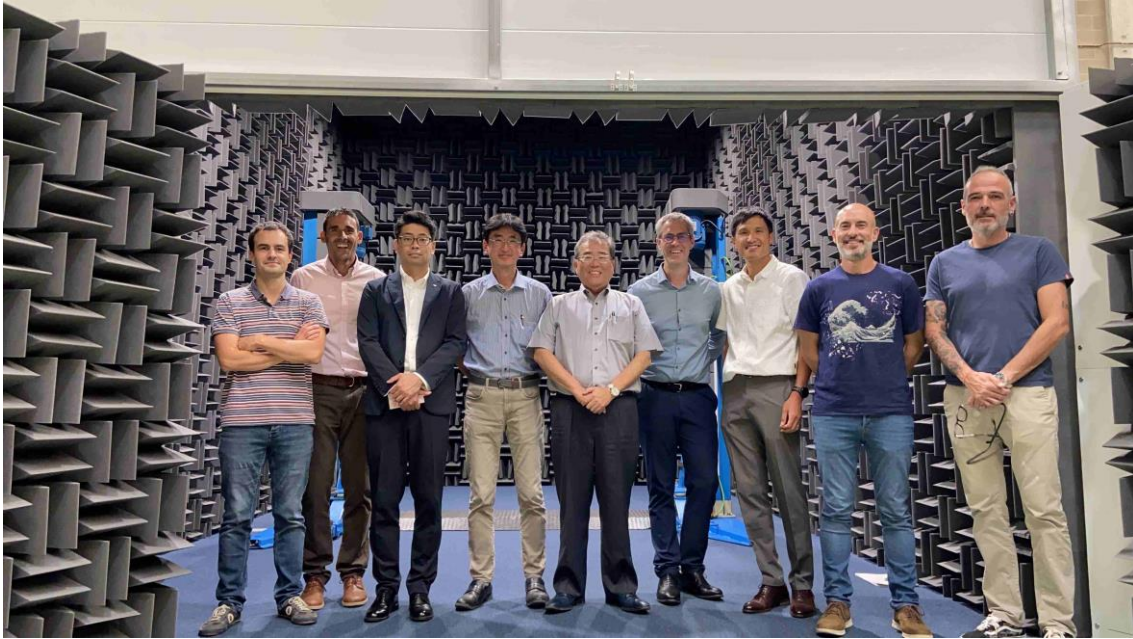
I will introduce three major initiatives here.

- One concept is the development of various project by **internship students**. For example, some students from French or Spanish universities come to JATCO France and spend about 5 to 6 months developing and adapting the product & programs. Once we have a proof of concept, we can choose to continue the project with the students or to proceed with highly specialized professionals. We started experimentally at first, but now we have proven that it is working well with various programs. I think this solution will great added values also in Japan.
- Another initiative is the **NVH\*2 test room** that we built in-house at our J-LAB Barcelona office. Outsourcing would be costly, so we decided to build everything in-house, from specification design to production and assembly. The result is astonishing.

- In addition, we also propose **engineering services** for automobile manufacturers. We supplement not only products but also services that are difficult for automobile manufacturers to provide. JATCO France Unique Selling Point is speed of operation. For example, we make an appointment with an automobile manufacturer, and after a 30-minute meeting and thorough discussion, we reach a contract. The next day, we are already working on the car. It's super quick and we offer high quality of outputs. At the end of the day, they are very satisfied, and we continue to get work from them. All that examples of activities bring motivation to us.



In-house manufactured NVH room



with Spain members

### What is important in practicing entrepreneurship?

If you do a deep dive\*<sup>3</sup>, you need to consider what the risks are and how to mitigate them by listing up the potential risks and benefits (money, resources, time, learning...). One step at a time, by starting with smaller risk, it is possible to reduce the fear of failures and to put the learning at the center of the development. **Try fast, learn fast, improve fast.** You can't learn unless you try.

By taking on challenges,

- we have learnt about **Businesses**: such as launch new business, setting price, how to build good relationships with customers,
- as well as acquired deeper **additional technical Knowledge** such as complex electronic architectures of the vehicle, battery management, full system thermal management on electric cars.

### How can we have this mindset?

It is essential to create the context where the learning is at the center of the development thanks to the failures, especially for new businesses. It is the role of the leaders to show the way by telling their own purpose in life, as well as to bring psychological safety at the workspace, to say: "It's okay to fail" and to mean it, providing opportunities of experiences & reflections to members. I would like all global leaders to consider "Am I a model to be followed?" and to consider which actions they can do.

In JATCO France, I could feel that this is more possible to be done, thanks to the management becoming local, the sense of urgency becoming present and by getting great ideas from all members with frank & honest discussions.

“What are our strengths, where are the opportunities, and where are we heading to?”

It is important to create a strategy, to clarify the goal as well as to move toward it in an agile manner, regularly reconsidering the options available.

### **Do you feel that there is a difference in the way of thinking between JATCO and JATCO France?**

JATCO France's employees are very diverse, from various countries & background from OEMs & Mega suppliers. The organizational structure is particularly different. We are 19 people, handling a wide range of areas, including cars, motorcycle, bicycles, research & development in project, technology research, benchmarking, after sales, engineering services, suppliers' quality assurance, sales promotion and so on (the list is long) ... Thanks to our structure, there is no barrier between departments and we can discuss with anyone, helpful to get broad perspective. I think that JATCO Japan siloed organization is helpful for core businesses but does not match the requirements for strategic businesses, making decisions slower & preventing resources movement where and when it is appropriated.

This is my personal impression, but not only at JATCO, but in Japan as well, it is a relatively top-down culture, so I think that subordinates tend to be passive, refrain from speaking up, and rarely share their ideas. However, if you really want to move a new business forward, it is important to ① verbalize, ② make time for members to think, ③ tell them it's okay to fail, and ④ create a role model. I think you should talk also about the many benefits rather than looking for reasons why you can't do something. From the perspective of diversity, I would like to discuss this with people from a variety of backgrounds.

\*<sup>1</sup>A coined term made up of the initials of Volatility, Uncertainty, Complexity, and Ambiguity.

\*<sup>2</sup>An abbreviation made up of the initials of Noise, Vibration, and Harshness.

\*<sup>3</sup>A business term meaning "dig deep."

Video from JATCO France