## **Richard Piercy**

Executive Vice President, Transformation and Digital Supply Chain at EMI Music

Question: What is your educational background? How did you decide to work as

an IS/IT professional?

Answer: Well I started my experience with technology at university, so I did a

joint honours computing with electronics degree at Durham, and that certainly fired my interest in technology specifically, and during my time at Durham, as my interest grew deeper I decided to stay on and do research, and I spent three years researching the application of artificial intelligence techniques to databases.

That was very cutting edge research, very much at the time understanding how could artificial intelligence help our lives and help the way that we represent information in computers, and



really at that stage there was a decision whether to stay in the academic world or go into the commercial world, and I took the decision to go into the commercial world and went into consulting.

So this was IS consulting, and here IS consulting jobs have a great mixture of challenge, of variety, of travel, of the mixture of technology and business, as essentially for all of these companies you're coming in as an advisor to help make a difference to somebody else's business, and that I found very, very stimulating.

And then through my eight years in consulting I then decided that I'd like to own something, in a way be a more permanent member of a team, be a more permanent member of a company, and that led me to leave the consulting world and move into the line management world, and so since then it's been about 10 or 15 years working in media, the last 10 of which have been working at EMI Music.

I mean I think people come into technology from a whole variety of backgrounds, and certainly into management positions from a whole variety of backgrounds and a whole variety of disciplines.

So for me I came in as a computer graduate, joining a company like Accenture at the time. I was probably in the minority. I was probably one of only, you know, maybe 20% or 30% of us came in as computer graduates. You were certainly the exception, not the rule, and I think that experience has been echoed throughout my career, or at different times driven my career and people have come into the function having had a real variety of backgrounds and a real variety of interests, and

they're still able to contribute very strongly to the success of the function.

Question: Could you briefly explain for our students what your job consists of

generally, and how it has changed in the last 15 years?

Answer: I've got truly a fantastic job at EMI. I'm incredibly passionate about it.

It divides into two responsibilities, both of which are incredibly interesting. So one responsibility is leading transformation on a global basis, and what that involves is really working on the boundary between technology and the rest of the broader commercial organisation, so you're working on that boundary, and what you have to understand is what are the new capabilities that the company needs to develop in response to its environment, what are the main objectives and strategy of the company?

You have to really understand that, get under the covers of it, and then help take those commercial demands and essentially bring them in and turn them into rounded business projects that are going to deliver those capabilities.

So I avoid the word technology projects because that would imply that I assess demand and I go away and I build something and give it back. It's much, much more than that, in as much to create a successful business change within any company, and particularly within EMI, you need to develop some new technology components. You also need to deliver new business processes, and you need to understand the impact on the organisation and what organisation leaders need to change in order to make that overall endeavour a success, so it's a very rounded challenge that you need to respond to.

So that's the first responsibility, working in this incredible mix between where does business and technology, where do they meet and how do you turn demand into successful delivery. And then the other responsibility is called a business operations job, and that's running something, and I've got a responsibility for the global digital supply chain.

So that responsibility is essentially taking the creative output from our artists, be it music, videos, and manufacturing and distributing that as digital assets around the globe. So if you watch an artist's video on VEVO, if you download a track from iTunes, if you again buy some music on Vodafone, then my department has essentially taken that creative output and distributed it to all of our partners around the world.

So again it's a very interesting job, because it's a very fast moving environment and you continually have to understand what are the new digital partners, how can we best serve them in order for them to onward

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best serve our consumers, and what does that mean for the capabilities of the company to do that?

Question:

In your view what are the main challenges that the advent of digital contents has posed to the music industry in the last 15 years? And how has the sector responded to them?

Answer:

The challenges, I best demonstrate the shift that we've gone through by reflecting when I joined EMI Music 10 years ago, digital was half a percent of revenue globally. 10 years later digital is now 50%, over 50% of our revenue in the States and for the industry as a whole.

So during a relatively short space of time there's been a huge shift in terms of the way that consumers consume music, in terms of the capabilities that a company like EMI Music needs to respond to the challenges of that new digital consumption model, and really the digital has presented a whole set of challenges from the very start of the value creation process, the artistic creative process all the way through every discipline within EMI Music, through to distribution and consumption.

So for us it's essential to understand how do consumers wish to consume music. It's essential for us to support new digital partners in the way that they develop their offerings, to help them grow, and then as that comes then into the company, in the last 10 years it's essentially meant that we've had to, at first it was a case of building a whole new digital business; it was almost like a separate capability that was incubated within the company, so you'd have people with titles such as head of digital.

Well as your capabilities develop over the 10 years, you then find that you have to push that digital capability way down into each one of the operational departments, and so now for each operational department, there wouldn't be a head of *digital* marketing. You need a head of marketing who's got all of the smarts to understand digital marketing in the context of an overall marketing campaign.

So digital has really impacted the people, it's impacted their skills, it's impacted the capabilities within the business, and it's very much impacted the technology backbone that sits underneath the business and assists it in managing its product development cycles.

Question:

What kind of opportunities has the transition to digital offered to the music business?

Answer:

I think digital has given us a whole new set of opportunities, and what's interesting is that we're still exploring the boundaries and we're still innovating and iterating what does it mean for our artists? What does it mean for them in terms of the creative output that they generate and in terms of the relationship with their fans?

So it impacts in so many different ways. If you go maybe to the beginning of the creative cycle it gives lots of different opportunities there, so for an artist there's significantly more engagement with their fans. If they want to shoot a video on a tour bus, if they want to write a blog, if they want to tweet what went on at the concert last night, they can do all of these things. They couldn't do them 10 years ago.

I was talking about the experience of Deadmau5. If Deadmau5 wants to bring his fans into the studio and have them essentially witness, but also to a certain level interact with the creative process of him generating his new artistic output, then he can do that and he has done that. So through the digital medium he invites his fans to actually take part in the creative process.

Even the concept of home studios, again, has come on in leaps and bounds in terms of quality of the output that can be generated.

For us as a music company, again for most of the media companies, if you rewound about 10 or 15 years ago, they would see themselves as B2B companies. They would see themselves as a generator of product that essentially pushed it towards the outside world, and that has been probably the most powerful shift of the digital age, where now media companies would define themselves much more as, I was going to say B2C businesses, almost sort of C2B business, where there's a focus on consumer insight, there's a focus on insight in general.

So we are continually looking outside of the boundaries of the company to understand who are our consumers, who are the fans of the artists in the different marketplaces, what are their different preferences and how do they wish to consume that product? How can we best help our artists package their music into products that really resonate strongly with the consumers?

And so essentially you're becoming much more of a consumer driven pull model, and you're responding much more to the consumer being the person that drives you as a business, and that is a fundamental shift from being a B2B product supply organisation.

Question: If you were to mention one way in which Information Systems and ICT,

can make a difference and add value to the activities of a music

company,, what would this be?

Answer: It definitely does come down to the connection with the consumer, so I think the one way that technology has made the biggest difference is in breaking down the barriers of communication between us as a business and the end consumers who consume our product.

So it could be due to the emergence of social media so that we can have very easy conversations with our own consumers. It could be all of the new digital marketing tools that we use in order to promote the creative output. It could be the new product in consumption models that have emerged as a result, but I think for me the one difference is definitely that that barrier between the enterprise and the end consumer has just lowered to an incredibly low degree, and that's created a whole new set of capabilities for us and opportunities for us to explore.

Question:

What are the career opportunities for Business/Computing students in the media sector? And what advice would you give to students who want to work as IS professionals in the future?

Answer:

The opportunities in the media sector are very wide, so I think for anyone who's considering a career in IT or computing, I suppose the first thing you should appreciate is there are many different disciplines within that career, and they suit different individuals with different interests and different personal characteristics.

So within any technology company you'll have people who are focused on building and supporting the infrastructure within a company. You'll have people who are focused really as architects, so they're architecting the future. You'll have people who are developing the systems of the future. You'll have people who are focused on business analysis, who are really very much outward facing, interacting very strongly and deeply with other business colleagues in order to get to the bottom of what is the problem that we're trying to solve?

And then you've got essentially the different management ranks, where you get different levels of challenge and opportunity according to where you're sitting in the organisation. It may leverage different skills in you as a person, so a career in IT is a very varied one, and there's lots of different challenges according to exactly how you are and what interests you.

When I reflect on what would be good advice for someone considering a career in technology, I suppose speaking personally I think there's real excitement in exploring companies where either technology is the product, like a software company, or where technology is incredibly central to the product, like the media sector.

If you explore those companies and those opportunities, you'll know that technology is going to be sitting at the top table. It's going to play an incredibly important role to the company, and so you're guaranteed a lot of challenge and a lot of mental stimulation in your job.

My other piece of advice would be to seek any way to try it, so when I mentioned I was doing a joint honours at Durham, I really went to Durham in my mind focusing on electronics, and I did a summer internship at Fairchild Semiconductors, and that was a software

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development job within an electronics and semiconductor firm, and the technology challenge so ignited my imagination that from that point I then shifted my focus much stronger towards the IT technology side, and I think for me, getting that opportunity to actually spend a bit of time in a company, you get a feeling for really what does it mean? It was hugely valuable and really helped me steer my career.