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‘We’ve learned from our failures’

Econocom founder Jean-Louis Bouchard is stepping down from the helm at the Franco-Belgium group that makes €250m in revenue in Belgium.

KEY SENTENCES

‘We’ve invented a currency that doesn’t depend on states. For how long will states accept to give up some of their sovereignty?’

‘We can stay ambitious, despite a tough period for everyone.’

‘We can double or triple our revenue by the end of the decade.’

There is a regime change underway at Econocom once again. For the second time in four years, its founder, Jean-Louis Bouchard, will be handing over control of the IT group after a 49-year reign of highs and lows. But why now? ‘Why not?’ he answers with a teasing look we rarely see in the media. We met up with him just a stone’s throw from the Château de la Hulpe during his flying visit to Belgium to inspect the local troops one last time. Four years ago, Jean-Louis Bouchard wanted to hand over the reins to his son Robert after a wave of success and huge growth Econocom had enjoyed. But this change at the helm proved a bitter setback, one he decided to bring to an end by taking back power barely eight months after he had left the group. ‘It didn’t work because the executive team was on its way out. The troops were exhausted by those years of growth. Certain top talents were more suited to a certain size of firm than to the size we’d reached. Our acquisitions weren’t yet finalised. There were too many varying corporate cultures. It wasn’t the right time.’

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When he thinks about it, he even says, 'All the ingredients were there for it to go badly.' Staying clear-headed, he does not spare his son: 'He wasn't experienced enough. He'd been in the group for two years, but in a subsidiary. He wasn't familiar enough with how the group worked. I actually think no-one could have done well in that role.' His son is still on the board of directors and chairs the firm's audit committee. He also represents his brothers and sisters in the group. On the off chance that Jean-Louis Bouchard were unable work anymore, Robert would represent the family and its shares – over 65% – in the firm.

Final curtain

Once Jean-Louis Bouchard had taken back the reins, eight months after handing them over to his son, he wanted to spend the next three and a half years, which have just gone by, 'learning from the shortcomings of that period, from the failures', so he could enjoy a handover he now hopes will be more successful. This learning curve has involved debt reduction, promotional initiatives online and a new management control system. 'The foundations are in place for the group to enjoy a new period of strong growth,' he explains. He is handing over his position as CEO to Laurent Roudil, subject to the group's general meeting approving the change on 31 March this year. This new governance tacitly ends the prospect of a family-centred future for Econocom. 'I've got a son who works in our entity in Spain. He's an IT manager in the group, but he's not aiming to hold a top executive position in the coming years.' So the change puts an end to a long chapter in Jean-Louis Bouchard's life. And like any good captain, he is not abandoning ship. The firm's founder is keeping some responsibilities in the company, like in corporate communication. 'Econocom is in a fortunate position – it's in a sector of digital technology and IT services that's doing well. I've still got a lot to do. We can double or triple our revenue by the end of the decade.'

Several acquisitions in sight

To achieve this, Econocom needs to grow even bigger and spread out in Europe. ‘We only operate in a small part of Europe for the time being. If we could generate, throughout Western Europe, the same level of revenue our Belgian entity makes, then we’d reach €10bn.’ Econocom has not made this an official aim, but demand from its clients to be more present throughout Europe is growing stronger. To support its growth and its clients’ needs, Econocom will have to work to acquire several high-growth ‘satellites’ it can add to its ‘galaxy’. Jean-Louis Bouchard confirms to us the group is looking into several leads, including some in Belgium. The group is targeting firms that make €20m on average with around a hundred employees. Talks are also underway to take over a company in cloud computing. Other acquisitions in the software sector could quickly follow. Yet the group will not be active on all fronts at once, says the founder of Econocom, a firm that was called ‘Europe Computer Systèmes’ in its beginnings. ‘When you try to do everything at the same time, you’re left with no time to tackle what’s not going well.’ As always, lessons are being learned from the past. Especially after a pandemic that impacted the group. In March 2020, the company, which leases out equipment and IT services, suffered from some of its clients – including a big French automotive group whose name it will not reveal – stopping payment for their leases for several months. That quickly caused panic, especially as the group’s results were not yet what they are today, with an 8% fall in revenue that year. Then, in 2021, late deliveries affected Econocom in a similar way. ‘The whole of China is at a standstill. Delivery times are very long for everything today. Whether for IT hardware, timber or the motor for my entrance gate in Paris which has broken. You just have to wait.’

Consolidation on all floors

Could this have a long-term impact? ‘No, I don’t think so. We can stay ambitious, despite a tough period for everyone. In the fifty years I’ve been in digital technology, you can’t say the sector’s been declining.’ The sector is the focus of consolidation from all sides. Jean-Louis Bouchard and the IT group’s directors have not missed this trend. ‘There’s a global trend – a change in scale. And a change in scale means mergers at all levels. What count's is size. To meet big clients' needs, you have to be big yourself.' So the path is clear for expanding the services Econocom offers its clients. The group will not be offering a universe in the metaverse as from tomorrow, but, as a keen observer of technological developments, Jean-Louis Bouchard is on the lookout. He shares with us his fascination for blockchain technology. 'It's an amazing revolution.' He has developed a portfolio of cryptocurrencies made up of bitcoin and Ethereum so he can understand how they work. 'The concept is so powerful. We've invented a currency that doesn't depend on states. For how long will states accept to give up some of their sovereignty?' But cryptocurrencies will not be taking up his new free time entirely. He still plans to play a role at Econocom, though he will probably be spending more time in his stables than in the firm's offices.

Closer to his horses

He has not mounted a horse ever since he fell from one and damaged some of his ribs. But his passion for equids is as vibrant as ever. His face lights up when he talks about them. He plans to spend a little less time with his colleagues so he can spend more time with his horses. 'I'm sure they're fed up with seeing me anyway,' he concludes with a laugh that continues to echo in the room.

'We can stay ambitious, despite a tough period for everyone.'