View from the Top

Respect Each Other and Increase Value—Solving Social Problems by Combining World-class Strengths

Masaaki Moribayashi Senior Executive Vice President, NTT Ltd.

Overview

As a world-leading global technology services provider, NTT Ltd., which is headquartered in London, UK, employs approximately 40,000 people in more than 70 countries and territories. While the global economy is being affected by the novel-coronavirus pandemic, the company is using technology to make a positive impact on business and society. Since the establishment of NTT Ltd. in July 2019, the company has been recognized for its contributions by, for example, being named as a leader in IDC MarketScape: Asia/Pacific Managed Security Services Vendor Assessment in March 2020 and receiving two Cisco® Partner Summit Global Awards in November 2019. We asked its senior executive vice president, Masaaki Moribayashi, about the company's business strategy and workplace culture that emphasizes diversity.



Keywords: ICT, remote, diversity

Employees and companies grow by combining strengths

—One year has passed since NTT Ltd. was established, and the novel-coronavirus pandemic has created a difficult situation. What is the current situation like in the UK?

The UK has been seriously affected by the novel-coronavirus pandemic, as in other countries. Basically, I work from home, and on a busy day, I participate in ten or so online meetings from the early morning. (This interview was conducted on July 20, 2020.) Recently, pubs and restaurants in the UK have finally begun to reopen, and the bustle of daily life is gradually returning; however, as is the case in Japan, the number of people being infected by the novel coronavirus has started to increase again, so the future is still

unknown.

Although one year has passed since the company was founded, owing to various changes that have taken place worldwide, such as the novel-coronavirus pandemic, I feel that the founding of the company was a long time ago. NTT Ltd. was established by integrating 31 companies, including Dimension Data, NTT Communications' global business units, and NTT Security. The process of integrating companies involves integrating not only work but also the corporate cultures of each company. It is natural that differences exist between employees and the work they do. We strive to understand each other, but I must admit that there were many things that we didn't realize when we were working at different companies. Although it was difficult to integrate companies even within the NTT Group, I have the feeling that they now have been successfully integrated.

The integrated companies had been operating as brother and sister companies in the NTT Group. In other words, multiple companies were pursuing their own profits while expanding globally in a manner that was inefficient for the Group as a whole. To eliminate this inefficiency, integrated as NTT Ltd. and headquartered in the UK, we were able to clearly show the direction of business inside and outside the company as a unified "One NTT" brand. We have also been able to show our enthusiasm for global expansion.

At NTT Ltd., we will provide services that take advantage of NTT's strengths. I believe that one of our strengths is being able to provide a full stack of services across all layers ranging from infrastructure to applications. We are one of the world's top three datacenter providers, expanding our network solutions globally, and providing various services such as cloud and managed services. We are unique in the world in that we have such diverse service portfolios. Therefore, we are working on businesses that capitalize on this uniqueness.

We are receiving global attention and the number of proposals for partnerships and alliances has increased, reaffirming that forming partnerships and alliances are important to us. The most-important point regarding forming partnerships is that both sides receive benefits, and our alliance with Microsoft is a good example of this. Since one-sided relations do not last long, we will emphasize mutual respect and mutual enhancement of value. We think of our partnership with Microsoft in exactly this way. Since we receive many partnership proposals from global companies such as Cisco (which is closely related to the integrated Dimension Data), I feel that NTT Ltd. is highly evaluated by the industry.

—It seems that various strengths inside and outside the company are joining. Could you tell us more about NTT Ltd.'s business direction and business strategy?

Regarding our business direction, we continue to focus on providing high-value services—that is, solutions that meet customer requests and other high-value-added services—as one of the major pillars of our business. For that purpose, in addition to partnering with global companies, we are strengthening our organization with emphasis on securing and developing human resources capable of proposing our strengths in an easy-to-understand manner and construction and operation of services.



In addition, our business focuses on corporate customers, and our mission is to provide high-valueadded and competitive solutions to our customers. To complete that mission, we need to make the effort to go one step further by combining the strengths of companies integrated in each field. For example, we are providing a "hybrid cloud solution." When providing cloud-related solutions to our customers, we provide them with optimal solutions by combining our private cloud and public clouds (such as Microsoft Azure) with networks, security, and managed services. I think the importance of networks is increasing as the use of the cloud increases. Our strength is providing high-quality, high-value-added network solutions encompassing connections to the cloud and SaaS (software-as-a-service) as well as in-office and remote access in an end-to-end manner. We intend to bring these strengths to the forefront and improve customer satisfaction accordingly.

We are operating business globally, so it is not surprising that 98% of employees are non-Japanese. Although about 500 employees are working in Japan, most of their colleagues around the world are of various nationalities. Having employees of various backgrounds is our strength, and we place great importance on creating an environment that respects each employee and having a positive impact on all employees. As a result, NTT Ltd. has received Top Employers certifications in 31 countries in Europe and globally in 2020 from the Top Employers

Institute, for developing human resources through business at all levels.

To fully utilize our diverse human resources, it is necessary to consider various cultural backgrounds. A questionnaire is sent to employees so we can better understand them, and a message is sent from the president to all employees who are working from home. We are also working on various measures such as enabling business training online and creating many opportunities for discussions via video conferences.

We will become a stronger company with our employees respecting each other's strengths. Moreover, if we recognize and enhance the characteristics and strengths of each of the 31 companies we have integrated, I believe that philosophy will become the culture of NTT Ltd., allowing us to grow into a strong company enhancing the One NTT brand. For example, most of the high-value services I mentioned above were developed by NTT Communications, so being able to expand them is the basis for NTT Ltd. to grow into a strong company. On top of that, Dimension Data has fully used its brand power and human resources in global development centered on solutions. I expect that we will be able to take full advantage of Dimension Data's strengths in relation to disseminating information internally to all employees and promoting brand recognition externally.



Any situation can be converted into a positive one

—In your previous position at NTT Communications, you mentioned that you would like to introduce Japanese technology and services to the world. Do you have the same enthusiasm at NTT Ltd.?

Yes, I have that aspiration. However, at the present stage, it cannot be said that the technologies and successful examples cultivated at Japanese research institutes are being transmitted to the world, so I think there are many things we can do to address this situation. In other words, there is a good possibility that our ability will be recognized globally.

In addition to the items I mentioned above, some of the initiatives NTT Ltd. has undertaken thus far are unique. For example, the Tour de France bicycle race—which is sponsored by NTT Ltd.—is already using our services. In addition to those services, we hosted a "hackfest" as an initiative to provide more technologies that could be used for other events related to the Tour de France. A hackfest is a contest in which employees are invited to come up with ideas and create solutions. I participated in the contest as a judge. Through full-scale presentations using videos, etc., professional solutions that could be used immediately were lined up one after another, and those from Japan were also selected. Despite the fact that these solutions were created by connecting countries around the world online between their regular work, they were extremely high level. Although the technologies proposed at the hackfest were designed for the Tour de France, they can be applied to similar events we sponsor, such as marathons, Indy Car races, and golf tournaments. Even though these hackfests are initiatives separate from our regular duties, I'd like to continue to make use of such initiatives because they allow our employees to demonstrate their individuality.

—What should top management be like "during coronavirus" and "after coronavirus"?

My belief is to consistently think positively. For example, I'm always thinking about how to find new directions and move forward on the basis of this pandemic. It is no longer the time to work in the office the way it used to be. If so, isn't it our job to create a remote environment in which it is easy to work? How can we improve this situation that is troublesome for many people? In a sense, this is an opportunity for us to solve social issues. That is, using information and

communication technology (ICT) to create an environment where people can work with peace of mind while working at home and produce results that equal or surpass those produced at the office.

We are currently discussing this solution internally and thinking of creating and testing a new office environment (including a remote one) and providing services in line with the "new normal." To turn this idea into reality, two key points must be addressed: first, employees must be able to work in a remote environment in which they can securely access the company's systems wherever they are. Second, the company must be able to properly manage employees and their jobs.

The novel-coronavirus pandemic is a daunting situation on a global scale, but even if it weren't, businesses sometimes fail. The important point is how to change your thinking when faced with a problem; in other words, if the best solution does not go well, you should try the second best one. If you stop thinking, you will enter a negative spiral, so it is necessary to determine when to switch to the second best. For example, to help prevent the spread of the virus, it was deemed risky for many people to gather in one place, so various events were canceled. If it is risky for people to gather at physical locations, we should focus on enabling people to gather by other means and change our mindset. We can use the power of ICT to hold safe events for many people digitally and allow people to attend seminars.

Even if employees cannot go to the office, it is possible for the CEO to send a message to employees working from home. If we change our thinking in the direction of letting the general public know that these possibilities can be fully materialized through using our technology, business opportunities will surely follow. Some of our businesses will naturally lose value because of measures to prevent the spread of the virus. Even so, we mustn't be discouraged. Instead, we should switch to more valuable and growing services. However, we must do so quickly, but determining when to switch is very difficult. Some of our employees have a lingering attachment to what they have been working on, and they may expect or be convinced that "It has been successful so far, so..." or "It may come back again." However, I believe that we at top management must show them the course of action that will allow them to dispel this belief and make the switch to the new direction.

Intuition is the result of experience and training

—How did you learn how to switch directions and judge the timing of it?

I haven't learned anything in particular, but I make judgments based on the things that I have naturally learned from my experiences. I don't know if this decision-making process is correct, and I don't think I'm 100% correct all the time. Some people say that intuition is the result of experience and training, and I feel that is close to my case.

However, blindly prioritizing the use of experience will lead to failure, so I am accumulating the amount of information and experience that should be used regarding the business of the newly established NTT Ltd. One year has passed since our establishment, and I have been able to collect a lot of information, so I think that we will be able to show our main direction in near future.

In addition to ICT infrastructure services, I have been in charge of managed services since July. For envisioning the future of NTT Ltd., using the idea of one individual is not enough, I'll combine the ideas of other executives and our parent company. When I was a little younger, I imagined that I'd be able to work a little easier at my current age. Considering my current position, however, I see that my job is getting ever tougher in a way that seems like I'm doing the toughest job in my life at NTT. If I look at my present job from another perspective, however, I see that I'm doing a fulfilling and rewarding job.

—Please say a word to our young engineers.

Good things spring from various places and people regardless of the size of a company or one's position. So many useful things and services come from little ideas, and opportunities are abundant. I hope that you will demonstrate your creativity and continue to share your thoughts. Although we are a big company, we welcome proposals from ventures. You can send information by using social media, your personal connections, or business connections via online services such as LinkedIn. The NTT Group also has a venture-capital company located on the West Coast of the United States, so when the pandemic settles down, I'll be sure to pay them a visit. In Japan, we are planning contests for ventures in Asia. So far, we have been able to hold contests in Malaysia and discover excellent technologies. I'd like to take advantage of these opportunities to connect these technologies with our business. Connection points are everywhere, and the ideas of a single engineer can change society for the better; therefore, I hope you will continue to demonstrate your creativity.

* This interview was conducted online on July 20, 2020, and the photos used were taken previously.

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Interviewee profile

■ Career highlights

Masaaki Moribayashi joined Nippon Telegraph and Telephone Public Corporation (now NTT) in 1984. He became president and managing director of NTT Europe Ltd. in 2009, senior vice president and head of Cloud Services of NTT Communications in 2016, and senior executive vice president of NTT Communications in 2018. He has been in his current position since June 2019.