

Let's Focus on the Now Regardless of History or Background and Take on New Challenges with ICT from a Global Perspective



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Abstract

NTT WEST is striving to solve social issues in the region where it operates by supporting the digital transformation of regional industries and communities. The company is also taking on challenges in new areas and creating innovations by using cutting-edge information and communication technologies toward building a sustainable society of well-being. We asked Masaaki Moribayashi, CEO of NTT WEST, about his vision and attitude as top management.

Keywords: ICT, DX, co-creation

2023 will be a critical year

—It's been two years since our last interview, and this is your third time in total. The last interview was when you were in London during the COVID-19 pandemic. How does it feel to be back to Japan?

Although remote work has taken root in society after the COVID-19 pandemic, people are also returning to the office as an option, and opportunities to meet face-to-face with customers and partners are gradually increasing. Considering that trend, I feel that society has changed from what it was before the pandemic.

After returning to Japan in June 2022, I've been working in western Japan for the first time in 30 years. I was with NTT Communications from 1999, the year it was founded, until 2019. With the exception of the years from 2016 to 2018, I was consis-

tently engaged in international business, including secondments to overseas companies. From 2019 to 2022, I was working in London for NTT Ltd. and more than half of my life at NTT has been spent involved in international business mainly related to overseas bases. For that reason, some people might be concerned about whether I am able to fit into domestic business, particularly, for a regional company like NTT WEST, but I assure you that I'm working without any sense of discomfort or resistance.

Of course, I realize that business in the western Japan region has changed dramatically over the past 30 years, and our customers have changed as well. However, from a global perspective, Japan is one region of the world, and regarding information and communication technology (ICT), the issues faced by domestic companies such as NTT EAST and NTT WEST are almost the same as those faced globally in terms of networks, security, cloud computing, digital



transformation (DX), and so on. Therefore, I think I can make use of my experience. For example, we can collaborate directly with global partners by taking advantage of the relationships that I have formed during my time at NTT Ltd. and NTT Communications.

In 2022, with the completion of the new headquarters of NTT WEST, NTT WEST i-CAMPUS, we opened an open-innovation facility called QUINTBRIDGE, for solving social issues and creating a future society with our partner companies. Since the opening of QUINTBRIDGE, more than 50,000 people have visited and more than 240 events have been held. We have also started a future co-creation program, called “Future-Build,” and received more than 100 proposals from domestic and foreign ventures in the four fields of health, lifestyle, economy, and environment and are investigating the commercialization of six of such proposals. We plan to provide the partner companies at QUINTBRIDGE business-matching opportunities with NTT WEST Group companies, NTT Group companies inside and outside of Japan, venture companies in the West Coast of the USA and Israel, and major IT companies to facilitate collaboration and co-creation.

—The knowledge you have acquired while working in the global market and your solid personal network are very reassuring. Could you tell us about the current business environment and your vision for 2023?

Social conditions have changed significantly such as semiconductor shortages and soaring energy prices. In the field of information and telecommunications, the importance of the infrastructure supporting information and telecommunications is increasing as social life is transformed in light of the COVID-19 pandemic, and the trend toward digitization and online access is accelerating and taking root in all aspects of business and daily life.

With such a business environment as a backdrop, at my presidential inaugural press conference in June 2022, I raised the slogan 伝新人輪 (*den-shin-jin-wa*), which is composed of the Japanese *kanji* characters mimicking the sound of the words 電信電話 (*den-shin den-wa*, i.e., “telegraph and telephone”). The first character, 伝 (*den*, i.e., “tradition”), represents our desire to preserve and refine NTT’s traditions and technologies. The second character, 新 (*shin*, i.e., “new”), represents taking on new challenges viewed from a global perspective. The third character, 人 (*jin*, i.e., “people”), represents our connections with all types of people, including employees, customers, and the local community, and the importance we place on people. The fourth character, 輪 (*wa*, i.e., “circle”), expresses our desire to expand

the circle of co-creation with partners.

The year 2023 will be a critical year for NTT WEST—as we transform from our past image as a telephone, optical, and telecommunications company to an advanced, innovative, and attractive company that leverages artificial intelligence (AI), Internet of Things, and other technologies. We are aiming to keep the information and telecommunications infrastructure—the backbone of our business—connected in a stable and high-quality manner while continuing to improve the infrastructure by increasing efficiency through DX. As a pioneer in solving social issues, we will also promote regional revitalization through connections with local communities and partners.

With those aims in mind, we will further strengthen our business in growth areas. Strengthening the businesses of our group companies, such as the infrastructure business, which capitalizes our expertise in infrastructure facilities, e-book business, and contact center business, will also be essential for our future growth. Specifically, we focus on (i) the “regional revitalization cloud” to address issues such as industrial revitalization, job creation, and aging population that local governments are facing and improve work

efficiency required by local companies, which are often short of labor; (ii) the platform “L. ID” to help transform uniform education into personalized education and improve the convenience of education (including student life) for promoting educational DX for universities in accordance with the concept of “digital education”; (iii) multiple-solution packages for small and mid-size companies; (iv) new co-creation through the use of electric vehicles as a carbon-neutral initiative; and (v) the carrier-infrastructure business, which is becoming more sophisticated through the analysis and use of our data.

Pursuing well-being and solving social issues with the power of ICT

—All of the businesses in the growth areas are indispensable and important in today's society. In our daily lives, ICT is becoming more and more convenient and widely used.

As our daily lives become increasingly digitalized, we are also becoming increasingly oriented toward well-being. With that trend in mind, we are also focusing on the development of ICT-based services in the entertainment area. Have you heard of “Comic C'moA,” a comprehensive e-book service that celebrated its 18th anniversary in 2022? In March 2022, as a first step to deliver this service to customers around the world, we began offering a digital manga store for overseas customers called “MangaPlaza.” Entertainment service is a dynamic area in which new services are born one after another along with the evolution of information terminals, and together with our partners, we want to take on the challenge of creating a new culture.

Prevention and early detection of illness and promotion of health are important issues for all people. These issues are deeply correlated with sleep habits. We have therefore established NTT PARAVITA, a joint venture with Paramount Bed Corporation, which has the largest market share in Japan for medical and nursing care beds and mat-type sleep sensors. The purpose of this venture is to support the early detection of illness and provide information for health promotion by using ICT from the perspective of sleep. Specifically, the venture provides a service for visualizing sleep information using high-precision sensors and providing advice by experts to improve sleep and a health support service at dispensing pharmacies. We will work on early detection of diseases in the pre-disease stage by combining our





expertise in an AI engine for analyzing sleep data with the expertise of Paramount Bed on sleep.

Be comfortable with change and alteration

—What has been important to you as a top executive?

I consider “people” and “human connections” to be the most important. Although remote work has become a common practice in Japan, I want to value human connections and communication in our hybrid work environment while taking advantage of the benefits of both remote work and face-to-face work.

The relationships we have with our employees as well as our customers and partners are important. Even though I have opportunities to interact with executives and department heads on a daily basis, I don’t have many opportunities to talk with other employees, so I visit branches in 30 prefectures in western Japan to communicate with employees and hold dialogue meetings over lunch. NTT WEST employs approximately 50,000 people, so it is not possible to hold a dialogue with all of them. Even so, I’m planning to communicate with as many employees as possible.

As a top executive, I value the outside perspective when making decisions. For example, one may feel that something is not quite right with the work that is being done at one’s new assignment. That unease usually signifies an issue that needs to be addressed,

and such perception is often correct. In that case, I ask employees, “Isn’t this strange?” I understand that it is difficult for them to argue against me, the president, so I carefully observe their facial expressions and nuances during conversations and try to listen to their opinions before making decisions.

When I ask such questions, I often hear a reply saying “This is the way it is because of what we have done up to now.” When I ask, “What would it be like without that background?”, the answer is often, “In that case, as you say, it would appear strange.” We don’t have a rule that you have to carry on what was decided 10 years ago. So throw away your ties of obligation and do what you think is right and optimal on the basis of your judgment at the moment.

—Finally, what would you like to say to our partners, researchers, and employees?

I expect researchers to create something that NTT can add value to, something that does not exist in the world. As a world-leading technology, the Innovative Optical and Wireless Network (IOWN) is a major vision for the NTT Group. We will promote IOWN at Expo 2025 Osaka, Kansai, Japan in two years. I want to encourage all our bright-minded researchers to approach their research with a global mindset.

We look forward to collaborating with our partners. Our doors are open such as at QUINTBRIDGE. We want to create new business and provide services

with as many people as possible, whether it be one person or one company.

To our employees. The key to solving social issues and growing as a company is people. We promote respect for human rights, diversity and inclusion, safe labor, health management, and a new work style based on remote work, and we promote a “work-in-life” style that allows employees to choose where and when they work. I’ll say it again, 2023 is a critical year for us. We have many things to do to grow businesses in growth areas in parallel. I encourage you to look at the “now” and propose what you think is best, without regard to history or background. My own positivity will never change. Let’s continue being positive.

Interviewee profile

■ Career highlights

Masaaki Moribayashi joined Nippon Telegraph and Telephone Public Corporation in 1984. He became president and managing director of NTT Europe Ltd. in 2009, senior vice president and head of the Cloud Services Department of NTT Communications in 2016, senior executive vice president of NTT Communications in 2018, and board director and senior executive vice president of NTT Ltd. in July 2019. He has been in his current position since June 2022.