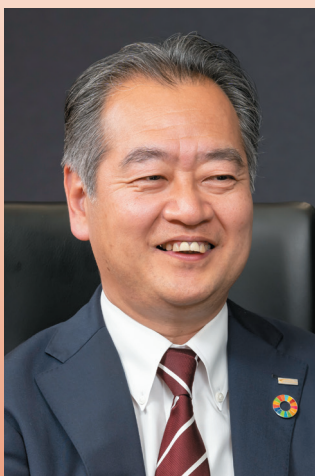


Human Resources Is the Foundation of Our Business and Empathy Is the Driving Force That Creates New Value



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Abstract

In 2022, the new DOCOMO Group was formed after a reorganization of NTT DOCOMO, NTT Communications, and NTT COMWARE. Since then, the Group has integrated the three companies' business functions and clarified their respective roles to improve the value it provides to customers and boost growth. Under its brand slogan "Changing worlds with you," the new DOCOMO Group aims to reform the structure of society/industry and create new lifestyles. We interviewed Keigo Kajimura, senior executive vice president of NTT Communications, which is responsible for the enterprise business, about the initiatives he is focusing on and his beliefs as a top executive.

Keywords: digital transformation, customer experience, human resource

Contributing to digital transformation in society and industry through multiplication rather than addition

—It has been more than a year since the reorganization of NTT DOCOMO, NTT Communications, and NTT COMWARE, how do you feel looking back?

In accordance with the New DOCOMO Group Medium-Term Strategy announced in 2021, management policies of NTT DOCOMO, NTT Communications (NTT Com), and NTT COMWARE were merged in January 2022, and the three companies were reorganized, including transferring certain businesses among them, in July 2022. I was appointed senior executive vice president of NTT Com at the

time of the reorganization. As head of the Platform Service Division, I am in charge of all services provided by NTT Com. I am also in charge of corporate affairs, technology and innovation, internal systems, information security, and promoting transformation in all areas, i.e., digital transformation (DX), customer experience (CX), green transformation, and employee experience.

Through this reorganization, NTT Com can now provide total solutions in a one-stop-shop manner to all customers nationwide by combining our core businesses, such as fixed networks, cloud computing, and datacenters, with NTT DOCOMO's fifth-generation mobile communications system (5G) and Internet of Things (IoT) and NTT COMWARE's software-development capabilities.



At the time of the reorganization, NTT Com offered about 100 services, to which NTT DOCOMO added about 200, thus increasing the total number of services to about 300. I see this increase as multiplication rather than addition, and I was very excited that the possibilities would expand infinitely if we further strengthened our sales capabilities.

During the past year, in addition to carrying out the Start Dash Program in which we focus on offering newly added services to existing NTT Com customers, we have also endeavored to create new value by combining technologies such as 5G, drones, robots, IoT, and XR (cross/extended reality) and provide it to our customers according to their needs.

These efforts at the first stage of our transformation have begun to bear fruit in various areas, and I feel that customers are expecting to be offered an even wider range of products from NTT Com. In 2023, which marks the next stage of our transformation, we aim to make even greater strides and provide concrete value to our customers in a timely manner to meet their expectations.

—Your attitude toward meeting customer expectations is encouraging. Can you give us specific examples of your efforts?

For large enterprises, IoT solutions for remote management and optimization (energy, automobiles, etc.) and solutions using 5G and docomo MEC™ (Multi-access Edge Computing) with low latency and high security are beginning to show results. For example,

we jointly verified in an experiment that the AI (artificial intelligence) face-recognition mobile gate system developed by Kumahira Co. Ltd. combined with 5G and docomo MEC™ improves the efficiency of admission-control operations at large-scale events. The number of people passing through the gate per minute increased by 23% compared with that possible with the previous setup. We are also seeing the results of experiments on automated driving and autonomous drone flight, and we would like to turn these results into commercial products in the future.

In addition to addressing a growing demand for mobile services from customers who are operating their businesses globally, we also plan to strengthen our lineup of fixed-mobile convergence services by creating services for small- and medium-sized businesses. We will continue to contribute to the DX of society and industry by providing advanced solutions with the mobile and cloud-first approach.

It is important to create and sell services that are used by people

—It's exciting to think about the new value you can offer and the impact you can have on society. So, could you introduce NTT Com's unique technology as well as your service strategy?

During my time as the general manager of the Solution Services Department, I launched and completed various system integration (SI) projects to meet individual customer requirements; however, SI

tailored to individual customers inevitably requires a lot of work, has long lead times, and does not scale well. Accordingly, we have been working on company-wide innovation to address this issue by creating repeatable models of solutions based on the value we provide to our customers.

The service that supports these solution models is the Smart Data Platform (SDPF), a platform that connects data and value to enable data-driven DX. More than 80 components, including network, cloud, storage, security, AI engine, and data-utilization functions, can be freely combined to meet the needs of customer businesses. As I mentioned earlier, the reorganization has strengthened our capabilities regarding mobile services, terminals, and software, so the added value provided by us thus far has become much higher and wider by combining those capabilities with the SDPF.

Technologies that support this *composable* service strategy include the VxF (Virtual Everything Function) infrastructure, which virtualizes network-added functions, and Qmonus, which is a DevOps (development and operations) platform for integrating components. We have contributed to the speedy development and provision of various services by customers, including the Flexible Mobile Connect, which was the first integrated service of the three companies. Qmonus has begun to be used by other NTT Group companies and scheduled to be incorpo-



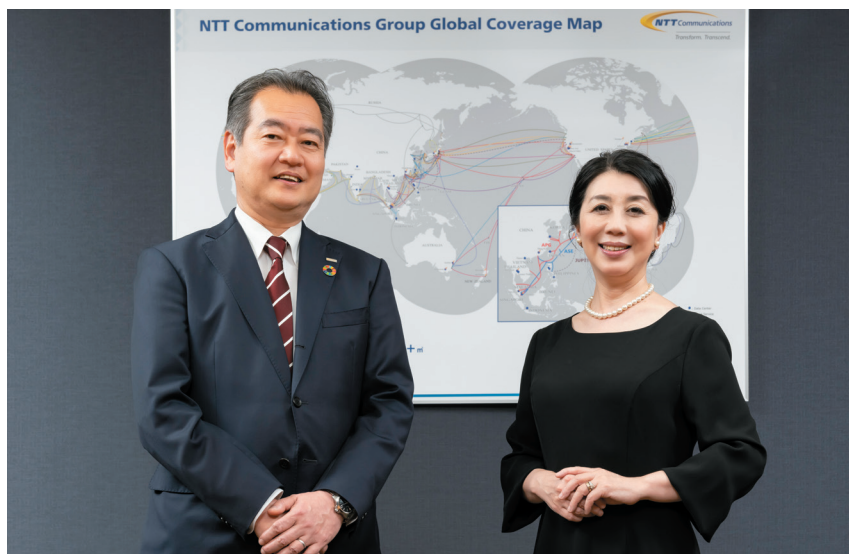
rated into the multi-orchestrator part of the Cognitive Foundation, which is one of the pillars of NTT's Innovative Optical and Wireless Network (IOWN). Although we are only halfway, I believe that there is no other example of telecommunications carriers working on this type of technology in-house.

We are currently using the SDPF in a wide range of projects involving market-oriented service development, including for the expansion of zero-trust network services that use the strengths of telecommunications carriers. In the promotion of a smart world that addresses social issues, the SDPF is used as the platform for data utilization in smart cities and for supporting the Manabi Pocket, which has five million user identifications in smart education.

—You provide services underpinned by solid technology, right?

I believe that it is important to create and sell services that are used by people and especially important to enable people to use them safely and comfortably. Since improving CX is crucial to provide services that customers continue to choose, we are making company-wide efforts to anticipate customer needs and improve the value of CX throughout the entire customer journey—from the proposal and introduction of services to post-introduction operations and response to problems that arise.

To this end, it is necessary to analyze the gap between service expectations and the current situation on the basis of the voice of customer (VoC), and to implement a cycle of improvement from the customer's perspective. For example, we provide a customer portal for customers who are using our services; unfortunately, the 2021 VoC survey showed very low Net Promoter Scores (NPS; an indicator of recommendation) and satisfaction levels. In response to these results, we established a cross-organizational project structure and spent a year establishing "personas" (profiles of typical customers), organizing the customer journey for each persona, and redefining the value provided by the portal to improve those scores. Therefore, we were able to significantly improve both NPS and satisfaction levels in the 2022 VoC survey. We thus intend to promote such initiatives across the organization at each touch point with our customers.



If you don't listen to others, you will stop growing as a person

—How do you view this era in which new technologies are being created one after another?

It may seem off the subject, but you've probably heard of a science-fiction television series and movie called "Star Trek," right? I love science fiction, particularly Star Trek. It was one of the reasons I joined NTT. I joined NTT in 1989 and was involved in designing telephone services such as toll-free telephone numbers. At that time, there were already signs that the era of exchanging data over networks was coming, but I had no idea that it would develop so rapidly.

Exactly as depicted in Star Trek, innovation has advanced and a world that was unthinkable in the telephone age has become a reality. In 2000, people doubted the new era of space development, but it is now a business trend. The future beyond that era is also becoming a reality through the development of IOWN.

Bringing about such innovations that transform society is the best part of my job, and to make that happen, I believe that top management must look ahead to the world five or ten years from now and show the company the way it should be and the direction it should take.

I think few people would dare to review a business with stable earnings or want to start something new that spans the whole organization. However, in such

a stable environment, innovation is unlikely to occur. For that reason, we focus on taking a broad view of the business in general. Our ongoing efforts embody this attitude.

I also feel the need to look at things from multiple angles. People tend to stop listening to others as we move up the corporate ladder or get older. Such a way of being may stop people from growing, not only those at the top management. Therefore, I try to communicate with our employees without fail.

—How did you come to realize the importance of communication?

The trigger was so-called "failures" at work. I experienced several failures, and each time I experienced a failure, many people helped me and I was able to find a breakthrough by listening to them carefully.

I believe that the foundation of our business is human resources. I'd like to nurture human resources by improving their skills in the ability to create services, assemble services, and empathize (activation of communication that transforms human connections into power), which is the driving force behind new innovations.

An "encounter" between a company and its customers and between employees creates a connection, and the empathy that arises from this connection is the driving force that creates new value. I want to create an "empathetic organization" in which people cooperate autonomously and inspire one another so that innovation can continue to take place.

I also think we must hold the core of our company firmly in place and not let its axis waver. However, today is not the era of a planned economy, and innovation is accelerating. We can no longer take things with the sense of speed that we have in the past, so I try to make sure that the core that cannot be compromised remains, and the rest can be changed according to the situation.

—Please say a few words to our engineers, employees, and customers.

To our engineers. Hearing from professionals about technologies that I don't know much about is not only educational but also fun and exciting. Innovation occurs when people with various expertise and knowledge connect, so I think it is important to have technological exchanges between different industries and competitors. Technology is truly a common language. I also expect you to become customer-oriented engineers who connect technologies with the market.

To our employees. There is no end to our transformation, so let's work together toward the next stage.

Finally, we cannot solve social issues alone. NTT Com has established OPEN HUB Park at Otemachi

Place in Tokyo as a place for demonstration and co-creation of various technologies, including IOWN. We have also established the IOWN Promotion Office to accelerate efforts to create software-based networks, the application of the All-Photonics Network to datacenter interconnection, and field demonstrations using the IOWN testbed. We would like to work with our customers to co-create solutions to social issues while refining various technologies toward the future. We look forward to working with you.

Interviewee profile

■ Career highlights

Keigo Kajimura joined NTT in 1989. In his career at NTT Communications, he became general manager of the Systems Department in 2012, member of the Board and general manager of the Solution Services Department in 2017. He became president and representative member of the Board of NTT Com Engineering in 2020. He assumed his current position in June 2022.