

ITOCHU Corporation

Hybrid communication infrastructure for location-free and device-free work style



Service: Enterprise Cloud



Mr. Ichiro Watanabe
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“With these initiatives, we were able to develop a communication infrastructure for the whole company to support the future of Itochu. Our next step will be expanding the system to overseas offices.”

Company Profile

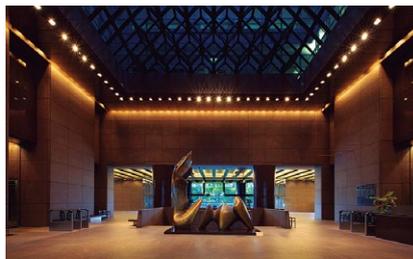
Name: ITOCHU Corporation

Capital: ¥202,241 million

Employees: 4,343

Business: Itochu is a general trading company with group businesses in textiles, machinery, metals & minerals, energy & chemicals, food, and ICT, General Products & Realty and about 130 offices in 67 countries.

URL: <http://www.itochu.co.jp/en/>



Challenges

- Strengthen individual and cross-departmental communication
- Establish a safe environment for email, essential to global business

Solution

- Introduced Microsoft Office 365 for portal services, video conferencing, e-mail, and SNS
- Created a secure and reliable hybrid e-mail system with NTT Com's Cloud

Benefits

- Enhanced individual and organizational productivity
- Increased email security through hybrid infrastructure

Challenges

Achieve innovative work style with morning-focused system
Develop and Strengthen cross-functional abilities

Itochu aims to contribute to society through their management philosophy of Sanpo Yoshi, or good for the seller, the buyer, and society, which founder Chubei Itoh called the cornerstone of business. In practice, this philosophy relies on on-site capabilities that are based on strong individual potential, which is also the advantage of Itochu. So the company has been considering how to create an environment that supports the efforts of their staff.

A major thrust has been in reforming their working style, for example through the introduction of a morning-focused system to reduce the total number of overtime hours. Specifically, the company reviewed the work style common among general trading companies that assumes overtime and shifted from that night-focused style to a morning-focused one by providing free breakfasts and morning overtime pay. The initiative not only increased employee effectiveness, but also helped achieve a good balance between work and family life.

“Compared to the same month in the previous year, the amount of salary that the company paid for overtime work was reduced by 7%. Compared to the working style where closing time is not set, this is more effective and employees are better at time-management,” says Mr. Ichiro Watanabe of Itochu Corporation.

Another initiative focuses on turning individual strengths to organizational strengths.

Among Itochu's six group businesses – textiles, machinery, metals & minerals, energy & chemicals, food, and ICT, General Products & Realty – internal cooperation was strong, but cooperation among the different organizations was comparatively weak,



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explains Mr. Watanabe.

“For example, convenience stores may fall under the purview of various businesses; food, of course, but also chemicals for packaging and others. In order to propose better products, it was necessary for us to strengthen of cooperation between these organizations.”

Solution

Reform communication methods on global scale
Strengthen security measures for email system

Itochu decided to reform its communication infrastructure to address both individual productivity and cooperation between organizations.

The infrastructure includes Lync Online, a unified communication service with teleconferencing capability that enables the user to see their counterpart’s face; Yammer, an in-house SNS service; SharePoint Online, a web application framework for sharing, arranging and managing information internally and externally from June 2014, and Microsoft Exchange Server and Exchange Online, which integrated e-mail and scheduling from August 2014. ITOCHU introduced these services for all of its 6,000 employees.

“In addition to supplying new tools, this system can be accessed from anywhere and on any device, including PCs, smartphones and tablets. With communication tools like the SNS service, employees can stay better connected to increase productivity and support cooperation between organizations,” says Mr. Watanabe.

For the email service, Itochu needed something a bit different, however. Using Microsoft’s Office 365 as a base, the

production environment was also configured for Exchange. This hybrid structure enables the production system to be operated via other infrastructure while using Microsoft’s service as a backup system.

“In some cases, due to contract provisions, email data cannot be stored at foreign data centers. Even with today’s variety of communications tools, email is still the most important and we needed an especially secure and reliable system.”

In order to meet these unique email requirements, Itochu chose long-time partner NTT Com to create a hybrid system that used Exchange as a platform and backup, but provided a separate production infrastructure through NTT Com’s Enterprise Cloud. With data centers overseas and in Japan, the servers would be easily accessible in case of trouble.

Benefits

Strengthen cross-departmental communication
Accelerated innovation to support global expansion

Itochu started utilizing the three ready-made services of Office 365.

“For example, with Lync Online, we have various communication tools, so we can check on things while we are in a meeting or away from the office, and cut down on unnecessary communication. Instant messaging, like the Line smartphone app, is especially good for relaxed communication,” says Mr. Watanabe.

The use of Yammer, which the company had high hopes for, has also been expanding, with more than 100 communities established and utilized as information-sharing spaces for project groups.

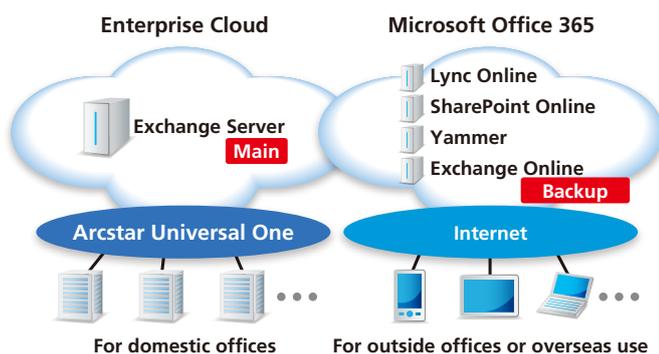
“As usage expands, we can expect to see post inspiring other employees, communication that reaches out to everyone in the company, and collaborative problem-solving,” says Mr. Watanabe.

They have also been using the service as a way for the company to publish the latest information and for employees to collaborate closely. This enables female employees on maternity or childcare leave to gradually return to work with more peace of mind.

As for the hybrid email system, Itochu recently launched the new system with support from NTT Com for the set up and transition.

“NTT Com’s know-how was quite useful, as was there excellent and friendly customer support during the transition, which included dedicated staff,” says Mr. Watanabe, who added that his company expects to keep working with NTT Com and leveraging their global network as they expand overseas.

Diagram: New hybrid system for communication infrastructure



All-important email system uses Enterprise Cloud for reinforced security, with Microsoft services providing backup