## Accelerating transformation by focusing on culture, people and mindset Byline article

Benno Zollner, Head of the Digital Systems Platform Unit at Fujitsu, on why successful digital transformation starts from within

At the start of the pandemic, Benno Zollner stepped into a new global role as Head of Digital Systems Platform Unit at Fujitsu, with the task of accelerating globalization. In this pivotal position, he has played a crucial role in ensuring that new practices are implemented across Fujitsu globally for the first time in the company's 80-plus year history.

It's no surprise that the last 18 months have accelerated digital transformation for Fujitsu and our customers. It has also been an opportunity to revisit how we catalyze systemic change.

When the pandemic hit last spring, our immediate priority was to enable our people to carry on being productive while working remotely. Since then, the journey we've been on has highlighted how effective digital transformation is much more than just the technology you implement. It's about culture, people and mindset.

Just a few years ago, digital transformation was all about implementing the latest technologies. But now, the focus is on the business objectives that those technologies allow you to achieve. And that means getting your data to work for you – combining different types of structured and unstructured data to deliver meaningful insights that drive innovation and create a competitive advantage.

We know that data silos or boundaries stand in the way of enabling businesses to leverage data effectively. So, when we planned the latest stage on our transformation journey, the focus was on eliminating these. As a company that has been at the forefront of innovation and digital transformation for more than eight decades, we had all the technology at our disposal. Our greatest challenge was ensuring that our culture was aligned to be able to leverage it.

It has been a rollercoaster. Over the last 18 months, we've succeeded in rolling out new products and services to 130,000 co-workers, ensuring they could remain productive while working remotely. We've also continued to roll out new products and services to our customers worldwide, all while reshaping our culture to maximize the benefits of transformation. We have changed Fujitsu from a company that operated region by region into a single global organization, where data flows, and data management knows no borders or silos. Of course, we've learned a great deal along the way – lessons that will also benefit our customers.

I've singled out the following as key cultural transformations that we experienced on the journey:

 An entire company focused on being data-driven: Data is most valuable when you can leverage it across the entire company. Consequently, a key success factor for Fujitsu's

- transformation is our focus on moving the company's entire culture towards being more data-driven. For us, that meant taking a holistic view of data management and ensuring that individuals across our whole organization understand the importance and power of data and its associated business processes.
- Great customer experiences start from within: We've invested time into ensuring that our colleagues – who are our internal customers – have the best possible user experience. This is more important than ever. Now people primarily work from home, they have enough challenges to deal with, so we want to make it easy to be productive. It's also worth noting that increased switching between private and work applications has led to higher performance expectations. Today, people expect business apps to deliver the same speed, ease of use and convenience as private ones. This may be as simple as ensuring that our colleagues have easy access to the corporate resources they need to work seamlessly from remote locations. But just like transformation, this is a moving target – and it's essential to invest in a continuous cycle of improvement for internal processes and tools just as we do for external ones. For example, we rolled out secure, effective VPN connections at scale to enable remote working. Today, we are working on the next level – moving to a trusted device/ direct access model that is even easier and more convenient to use. These insights also help us better predict the needs of our users, which drives a deeper understanding of potential costs. And that is incredibly helpful data to leverage as we roll out the Fujitsu uSCALE pay-per-use consumption service to our customers.
- The importance of teamwork and co-creation: Fujitsu's collaborative co-creation approach served us well for our own transformation and in guiding our customers' journeys. Our co-creation approach uses the proven Fujitsu human-centric design methodology (HXD) to bring together all relevant stakeholders in a project. This allows us to identify all the issues and perspectives simultaneously and enable us to move forward more rapidly. We support this using the same HXD technique that we use in customer sessions in our Digital Transformation Centers.

Page 1 of 2 www.fujitsu.com

In Japan, decision-making is very consensus driven. An issue is discussed, a consensus is reached, then the decision gets passed to the next management layer for discussion. As these multiple layers of consensus-building generally happen sequentially, it takes time for everyone to understand the issues and to align on a solution. To address this, we've changed the process by making it vertical, focusing on getting teams together in a single meeting, clarifying and resolving all questions at once. It proved invaluable as we worked towards globalization. A key challenge was the significant difference in business processes inside and outside Japan. The approach has been so successful that we've incorporated regular design thinking workshops in our cultural change program.

And as a proof point for our commitment to teamwork and collaboration, Fujitsu supports CIONET, whose mission is to help IT executives become more at ease and above all more successful in their jobs. Ultimately, this means executives can do more than just keep up with change – instead they can define it.

• Revisiting execution and global ownership: We've also made some changes in our thinking regarding how to execute. It has helped our ability to implement globally by considering change in terms of two separate tracks; firstly, the existing business that we are delivering to our customers today, and secondly, the growth areas where we need to invest and build new resources and partnerships. It's important to note that, regardless of focus, each team works on both tracks simultaneously. To further eliminate any differences in how we do things from region to region, we have global digital process owners responsible for processes and data, end to end across the organization, tasked with ensuring the stability of existing processes while building future solutions to replace them.

Process owners also ensure that we have globally standardized data sets and standardized processes. To effectively derive insights from data, you must orient your business to be able to leverage it. That means eliminating any silos and borders to your data or processes. Information exchange is a crucial component of the transformation process, and every business has countless ways of capturing data, from equipment maintenance logs to information captured by sensors. We must be consistent about data captured, across the whole company.

This has helped us stay agile. The old way of doing things was to define requirements then roll out something new many months later. This no longer works. You need to be mindful of how dynamic the market is today, and ensure your processes deliver the necessary fast time to market. What's helped our rollout with customers is treating services like products – with a product lifecycle that governs new releases to help customers manage the change.

 Changing without changing our DNA: At the same time, we strive to ensure that we maintain a blend of cultures at all layers of the business. At a leadership level, we've successfully paired leaders to bring together the benefits of their Japanese and non-Japanese backgrounds. If you think about Fujitsu's company's DNA today – it's a helix – two strings with complementary knowledge and skills that work together.

Keeping lines of communication open with employees when you aren't in the office was a specific challenge our leaders faced. Japan, in particular, has a workplace culture centered around being present in the office. The pandemic forced us to hone other skills – not just depending on video to connect with our colleagues, but also having empathy for individuals' situations. It's essential to take care of your people and understand that they have different priorities at various times of the day. That means adapting your agenda accordingly. Trust your people to be productive but be mindful that their working day might look different now – and learn to listen more.

## In conclusion, it has been an extraordinary two years

But looking back, we've turned a lot of these challenges into significant positive cultural change from within. And we've done this without giving up the elements of our DNA that make us unique. For digital transformation to be successful, it's crucial to bring the whole company with you, your customers, and your entire ecosystem. We have taken giant steps towards becoming a global data-driven company while continuing to serve our customers.

We've blended the best of our culture to create more effective leadership and create the best possible environment for digital transformation. But it's still just the start – transformation is a continuous process – that starts and ends with people and how they use the data you make available to them.

## Benno Zollner – Head of Digital Systems Platform Unit at Fujitsu



Benno Zollner is Head of the Digital Systems Platform Unit at Fujitsu. In this role, he is responsible for accelerating globalization within the company. He is based in Munich, Germany.

Page 2 of 2 www.fujitsu.com