

Ricoh generates new ideas with lateral communication on a global scale

RICOH

Using IBM SmartCloud Engage services, the company reengineers work processes for greater collaboration

Overview

The need

Ricoh sought to improve the quality and breadth of its offerings, providing total solutions tailored to each customer's environment and operations.

The solution

The company adopted the IBM® SmartCloud™ Engage platform for cloud-based social business in a pilot program to enhance productivity and innovation in its Business Development Center.

The benefit

Initial pilot results show greater efficiency in product planning and a new work style based on lateral information sharing that may reduce staff hours needed to create new release information by as much as 20 percent.

Conducting business in more than 200 countries, the Ricoh Group generates more than half of its sales from outside Japan. The company provides a wide variety of electronic products and services ranging from copiers, cameras and printers to IT solutions. Ricoh has become a highly trusted name by helping customers improve productivity and create knowledge. It aims to continue growing and seeks at least 25 percent of its fiscal year 2013 sales from new business areas.

Improving Ricoh solution scope, quality and time to market

Since its founding in 1936, Ricoh has been an industry leader in the fields of optics and office equipment. Today, the company seeks to expand its range of business offerings into document solutions and other corporate solutions and services. The company's Business Development Center (BDC) plans, develops and markets these solutions and services. It communicates with Ricoh Japan and four other global Ricoh sales companies—covering the United States, Europe, the Asia-Pacific region and China—to provide sales and support activities closely tailored to each region's needs.

Because Ricoh started as a hardware manufacturer, it already had processes for maintaining high product quality. However, the BDC faced challenges in developing solutions and services. "The old rules used for



A social business...

Embraces networks of people to create business value and exhibits three underlying tenets. It is engaged, transparent and nimble.

Engaged

Supports lateral, community-based, casual information sharing and communication among different Ricoh departments and with stakeholders outside the company

Transparent

Supports a new location-independent work style to collaborate on work in process and support unrestricted exchanges of opinion

Nimble

Quickly creates and runs virtual product planning teams, helping improve productivity in completing release information by up to 20 percent

Entry point: Accelerating time to market

hardware development resulted in unwieldy processes, making it difficult to compete against more nimble software service vendors. We looked to rebuild work processes designed for the things we were developing, such as software and services. When providing solutions to clients, we wanted to propose total solutions tailored to the client's environment and operations," says Takao Fujii, specialist, Business Management Section, Service Business Planning Department, BDC, Global Marketing Division, Ricoh Group.

To improve the quality of solutions and provide them faster, the BDC wanted to create work process innovations optimized to solutions and service development work and develop a platform for providing total solutions to customers. As a first step, the BDC decided to adopt an optimal collaboration platform for its own activities. Ricoh used the IBM Lotus Notes® and Domino® platform to support internal work processes. "With the mix of old and new versions in use, we felt it just wasn't up to the task of achieving collaboration among the global sales companies and outside partners," says Fujii.

Reengineering work processes

In July 2011, Ricoh became the first company in Japan to deploy IBM SmartCloud Engage services for social business. The Ricoh BDC adopted the cloud-based services on an experimental basis to help create a new platform for collaboration. It sought to use SmartCloud Engage services as a means of implementing the Ricoh Group work process reengineering concept.

Naoto Hikichi, General Manager of the i Business Development Department, describes what motivated the center to start using the IBM cloud-based social business platform. "The BDC felt collaboration would be the key to uncovering new value in the years ahead, so when Ricoh decided to start developing a collaboration solution, we wanted to offer the expertise our company had been using and accumulating. That's why we suggested to the IT departments that the BDC should be the first to apply the new solution in-house. After that, we started working with the IT departments."

Solution components

Cloud-based services

- IBM SmartCloud™ Engage
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“The IBM solution allows us to quickly create and run virtual project teams of people from inside and outside the company. It supports lateral communication on a global scale to enable knowledge gathering from individual perspectives.”

—Naoto Hikichi, General Manager, i Business Development Department, Ricoh Group

The BDC user department, rather than the IT departments, spearheaded the IBM solution. Says Fujii: “Our IT departments had previously considered adopting a new IT infrastructure for implementing a collaborative work style. But since these departments govern all of the approximately 110,000 Ricoh Group employees worldwide [as of March 31, 2011], taking on a new infrastructure will be a lengthy process for them. They will need a lot of time to determine whether the investment is justified and to understand both the benefits and related issues. The BDC was allowed to make a pilot investment in SmartCloud Engage services as part of our own total solutions development work. This investment has helped us understand the unique uses and benefits that the IBM solution can provide an actual company of about 500 employees, isolating the issues Ricoh will face if it starts using SmartCloud Engage services on a companywide basis. We will be able to share our findings with the IT departments to help us adopt the solution throughout the entire company.”

BDC general manager Shogo Hyakutake, a Ricoh associate director, set out a clear policy for creating major benefits through reengineering that advocates an approach to innovation based on fundamentally reexamining existing work processes. Hyakutake got the department pilot program started quickly because he asked for and received assistance from the IT departments.

Hyakutake headed the initiative while the BDC department heads determined and implemented the processes to reengineer. Actual SmartCloud Engage platform operation is being handled by appointing several managers to each department and having all the IT departments take part in planning as advisors. Fujii oversees management through a SmartCloud Engage solution coordination office. The process of adopting the cloud-based services has been different from previous information systems deployments because the individual departments were allowed to devise and implement methods of use and then report their findings.

“I want to step up the adoption of SmartCloud Engage at Ricoh for several reasons. It lets you learn as you go, doesn’t force you to do unneeded operations, and encourages the growth of individuals who are good at using it and tailoring its operation.”

—Takao Fujii, specialist, Business Management Section, Service Business Planning Department, BDC, Global Marketing Division, Ricoh Group.

“But just assigning roles was not enough; promoting the use of the new tool required a more active approach. Since Lotus Notes is so well-established at Ricoh, we tended to think it was up to any task and were confused about how to use the SmartCloud Engage services. So I distributed a guide explaining when to use Lotus Notes software and when to use the collaboration platform and created a support community within the SmartCloud Engage platform as a venue for sharing usage methods and expertise,” says Fujii.

IBM Lotus Notes software is used for document management; work-flows, assessments and audits involving organization-specific vertical communication; and sharing information completed internally. The SmartCloud Engage platform is used for lateral, community-based, casual information sharing and communication among different departments and outside the company. “Unlike work systems for data processing, the SmartCloud Engage collaboration tools require users to customize their usage, but once that effort has been made, they can do a lot of different things,” says Fujii.

Providing a method for knowledge gathering and creating a virtual company

The i Business Development Department at Ricoh started using the SmartCloud Engage solution to help gather opinions from Ricoh and non-Ricoh partners around the world by sharing information or holding discussions. “Our i Business Development Department is a specialist organization that aims to create new value for clients by seeking global alliances between Ricoh and IBM. We are called on to enable collaboration by linking Ricoh departments to outside companies and other affiliates, without using the type of procedures used for hardware development, which involve multiple internal meetings or circulated memos approved by multiple employees. We need to improve collaboration by creating close relationships among employees doing the same types of jobs at each global sales company, something that has become a greater goal than it used to be,” says Hikichi.

Email was the main method of exchanging information. Files to share were attached and password-protected. “Our communication used to be vertically oriented. Using SmartCloud Engage services has helped us quickly create and run virtual project teams of people from both inside and outside the company. It allows unrestricted online discussions on a global scale. I expect it will let us achieve lateral communication enabling knowledge gathering from individual perspectives, a type of communication we’ve never experienced before. I also expect it to help us achieve an innovation in work style that frees us from reliance on fixed times and places,” says Hikichi.

As part of its efforts to start using SmartCloud Engage services, the i Business Development Department is taking part in two experimental projects to promote telework. The Ministry of Land, Infrastructure, Transport and Tourism is carrying out one project; Chiba Smart Work Promotion Council is handling the other. Both projects have the following goals:

- Sharing information in global collaborative projects encompassing members from inside and outside the company
- Gathering knowledge through lateral communication among internal and external organizations
- Efficient progress management and implementation of projects encompassing internal and external members

To accomplish these goals, participants are creating a new location-independent work style by using the SmartCloud Engage platform’s Activity and Share Files functions to collaborate on work in process. They are also applying the Forum function to support unrestricted exchanges of opinions. Participants can check or update the latest project’s progress and to-do lists from home or another remote location for greater efficiency. They can even contact employees of external corporate allies in near-real time, simplifying coordination.

“With this work process change, we expect to reduce the man hours needed to create new product release information by 20 percent. We also expect to improve communication between BDC marketing departments and the global sales companies, which should help increase in document quality.”

— Takafumi Oka, specialist, MA Solutions Marketing Group, Solutions Marketing Office, BDC, Global Marketing Division, Ricoh Group

Helping enable more efficient product planning

The Solutions Marketing Office in the BDC is the heaviest user of SmartCloud Engage services. This department handles the planning and marketing for product releases. Employees in Japan and overseas work with the global sales companies to provide products that meet market needs in a timely manner.

The Solutions Marketing Office started web meetings soon after the IBM cloud-based solution was adopted. Takafumi Oka, a specialist with the MA Solutions Marketing Group within the Solutions Marketing Office, already sees the benefit of web meetings. “In our department, we have many opportunities for teleconferencing with overseas marketing staff. We used to send materials beforehand in email, which each side would look at during the conference. Web meetings eliminate the need for this step because each side can talk while looking at the same screen during the meeting. Web meetings are more efficient and prevent miscommunication,” says Oka.

Ricoh also uses the SmartCloud Engage service to help reengineer the preparation processes for product releases. Previously, before a new product was introduced to the marketplace, BDC marketing staff would create materials containing information about the release and send the materials to overseas global sales companies. Once feedback was received, staff members would respond to questions or implement change requests. Often the process was repeated several times, resulting in increased workload for the marketing staff and complaints from global sales companies’ staff members who were upset their requests could not be properly implemented because of time restrictions. The company resolved these problems by reengineering the work process so that staff can publish documents in rough form using the SmartCloud Engage platform’s Connection capabilities that also allow global sales companies to collaborate on revisions. This change was partly motivated by a desire for a more proactive method of assimilating the market and customer information available to the global sales companies to more effectively provide products tailored to local needs.

“The workflow itself is changing. It used to be a one-way flow from the manufacturer to the global sales companies. Now it’s becoming a flow where added value is shared and implemented locally, helping generate new ideas.”

—Akio Sekizawa, leader, MA Solutions Marketing Group, Solutions Marketing Office, Business Development Center, Global Marketing Division, Ricoh Group

Although this approach only just started, Ricoh anticipates seeing major benefits from it, including sales growth. Akio Sekizawa, the MA Solutions Marketing Group leader in the BDC Solutions Marketing Office, says: “We used to gather and compile information and then communicate it to the global sales offices. But the speed and quantity of information we deal with now makes that impractical. The workflow itself is changing. It used to be a one-way flow from the manufacturer to the global sales companies. Now it’s becoming a flow where added value is shared and implemented locally, helping generate new ideas. I want staff to start sharing information early on in each work process and become skilled with using SmartCloud Engage services as a platform where new ideas are created from less restricted relationships among peers,” says Sekizawa.

Ricoh also started sharing monthly performance reports from sales companies on the SmartCloud Engage platform. Another member of the MA Solutions Marketing Group, Akie Maeda, elaborates: “We used to receive performance reports from the global sales companies by email. We would copy them to the Lotus Notes database and then send them to the relevant recipients in Japan. We’ve changed that work process so that the type of configuration managed by the Lotus Notes database can be created with a SmartCloud Engage Activity to which global sales company staff members can upload data directly.” Data and information that used to be buried deep in emails can now be automatically managed in a systematic format. The cloud-based social business platform also captures interactions between individuals in its history, bringing together all email and data exchanges in one location.

Bridging organizations in a global environment

Once results of the single-department pilot have been verified, the BDC plans to initiate a trial program to deploy SmartCloud Engage services throughout the company. The program will be carried out as part of an IT review of companywide infrastructure. The IT departments have already started creating a trial environment in expectation of solution adoption throughout Ricoh.

“The pilot project in BDC showed me that, if we want to promote social networking services in the company, we need to change our attitudes, not just create a new environment. I realized that we can adopt tools, but only

by reinvigorating our attitudes can we increase how well we use them. We need to raise our current 'groupware use' to a level that gives us the full benefit of social networking services," says Fujii.

Hikichi is eager to start using SmartCloud Engage services for customer solutions. "If Ricoh itself can reap major benefits by reengineering work processes, we'll be able to propose the concept to clients as well. I'd like to get to that stage soon." Ricoh wants to reengineer work processes throughout the company, revitalizing its global communication and fostering connections that bridge organizations. It sees SmartCloud Engage services as critical to meeting this strategic goal.

For more information

To learn more about IBM SmartCloud Engage services, please contact your IBM marketing representative or IBM Business Partner, or visit the following website: ibmcloud.com/social



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