Hitachi, Ltd.

Integrated network maximizes Hitachi’s total strengths
Collaboration accelerated among 300,000 employees in 30 countries

Service: Arcstar Universal One

Challenges
- To have an integrated global network for the group’s total strengths
- Compromised security due to non-integrated systems

Solution
- Global Network that connects 6 regional markets
- A dedicated project team for smooth migration

Benefits
- Enhanced social innovation business by accelerated collaboration
- Promoted communication infrastructure standardization

Challenges
Integrate the infrastructure of decentralized groups spanning Hitachi’s broad scope of businesses

The Hitachi Group has a wide range of businesses including healthcare, power systems, transportation, urban development, information and telecommunication systems. For further growth, Hitachi focuses on Social Innovation Business as its core corporate strategy.

Social Innovation is where Hitachi’s total solution is maximized based on its various technologies. However, each group company’s collaboration was required more than ever to achieve this. Hitachi is now promoting consolidation of infrastructure that would support the whole group’s business.

There are business-related infrastructure such as financial and accounting systems and IT infrastructure that needed to be integrated. Especially for IT infrastructure, a globally integrated network was critical.

“Without globally integrated network, we cannot realize seamless communication between the groups,” says Mr. Yasuo Ohashi of Hitachi.

Hitachi has expanded its business in six regional markets: Europe, America, Asia, China, India, and Japan. Previously, each region implemented and developed its own network according to their specific needs.

“The IT Services Division, responsible for the group’s IT infrastructure has been providing connection guidelines but each group ended up having different outsourcing criteria, SLA and operations,” says Mr. Eiji Katoh of Hitachi.

This led to a several issues where connection between Japanese and European devices are different from that of Japanese and Chinese. Furthermore, the increasing number of

Company Profile

Name: Hitachi, Ltd.
Number of employees: 33,500 (as of March, 2014)
Business: Promoting Social Innovation Business by leveraging the strengths of each its diverse group companies.
URL: www.hitachi.co.jp
connections was stressing the network, slowing the speed of
group collaboration business. The need for standardization and
integration was growing higher in the group.
On top of this, there were unnecessary costs caused by
investment conflicts within the group and security was
compromised in the cost-oriented regions.

**Solution**

Exceeding the level of SLA
with highly professional support

It’s not easy for a huge organization like Hitachi to build an
integrated network. "Each company has its existing system
based on its regulation. With that in mind, we asked the person
in charge of the IT Services Division in each region to meet with
the CIO and with local staff to discuss the most appropriate
service level and cost," says Katoh.
The new network had to be acceptable for each group
company. Hitachi sent out an RFP to more than 10 service
providers in the world. In the end, they decided to go with NTT
Communications (NTT Com).
Hitachi not only looked at the provider’s price, quality and
global coverage but also its track records and local reputation.
They also put high priority on how much the provider can meet
Hitachi’s expectation from end user perspective. "For example, if
the provider takes the attitude that they will only do what is
written in the SLA, we cannot be fully assured in case of
troubles. Even if the contract allows for a couple of hours
downtime each year, it makes a huge impact on our business if
it happened before financial statements are released. We
wanted a provider who would sincerely investigate the problem
and assure it would not happen again, the same stance Hitachi
takes for their customers," explains Mr. Ohashi.

**Benefits**

Peace of mind from dedicated team
Accelerated infrastructure integration

Leveraging NTT Com, Hitachi built GWAN, a large-scale group
network, connecting 300,000 users in six regions with 260
circuits. The new network not only strengthened the group
collaboration but also eliminated unnecessary costs of
investment conflicts and enforced security by a unified policy.
During the implementation NTT Com’s support was beyond
Hitachi’s expectations. To support the global project, NTT Com
formed a dedicated team of 8 regional member for a seamless
communication. "In addition to providing face-to-face
communication, the project team also allowed us to
immediately see how far the project was progressing in each
area, giving us real peace of mind. And we especially admired
NTT Com’s ability to manage local carriers. Thanks to them, this
large-scale project went smoothly," says Mr. Katoh.
Connection of the main group companies and offices to GWAN
is almost completed. For the future, Hitachi is considering
further integration by preparing a plan with more focus on the
scale and situation of local offices to provide better cost
performance. The company will also continue utilizing GWAN to
integrate infrastructure, for example by adopting Microsoft’s
Unified Communication as a standard tool to support the
collaboration between group companies. Integration of business
infrastructure such as accounting, human resources and the like
has also been accelerated.
Hitachi Group now has the strong network infrastructure to
support Social Innovation Business. "We are aiming to make
Hitachi a globally competitive company. We expect to leverage
NTT Com’s global capability again in the future to meet our IT
needs in various ways," says Mr. Ohashi.