



NTT DATA Corporation

NTT DATA Establishing Specialized Business Organization for ServiceNow

**New structure will accelerate the digital solutions business in Japan,
an area growing rapidly worldwide**

December 14, 2020, Tokyo – NTT DATA Corporation, a leading digital business and IT services provider, plans to establish the ServiceNow Business Strategy Office on January 1, 2021, as a specialized business organization for ServiceNow¹.

The new ServiceNow Business Strategy Office will be a specialized unit of 150 ServiceNow engineers and consultants within NTT DATA, which will function as a single team to lead and drive the ServiceNow-related business. These engineers and consultants, who up to now have mainly been involved with IT management for internal use, will pursue new business development, and accelerate digital transformations for customers.

Going forward, the ServiceNow Business Strategy Office aims to expand sales from the ServiceNow-related business to ¥50 billion by 2025.

Background

In recent years, as IT infrastructure has become increasingly cloud-based, cloud-native application development has also accelerated. Utilization of cloud services has become essential for IT systems to adapt quickly in a constantly changing business environment. In addition, with the current shortage of IT personnel, system operations are shifting from individual system management to unified management and digitization.

Global solution provider ServiceNow has grown remarkably in recent years, delivering UI/UX functions with exceptional operability, changing the way that IT employees work, and making huge contributions to IT cost optimization. The company is included in Gartner Inc.'s Leaders quadrant for both the Magic Quadrant for IT Service Management Tools and Magic Quadrant for the CRM Customer Engagement Center. Further, in recent years the ServiceNow business domain has expanded rapidly, from IT management to employee and customer management as well. For example, ServiceNow is now being used in business operation fields, with examples such as international financial institutions introducing functions for standardization of banking operations or digitization of core processes.

Considering this situation, in the previous fiscal year NTT DATA established a working group for operational consolidation, utilizing ServiceNow to realize cost reductions and functionality enhancements in the IT Service Management (ITSM) field. The ServiceNow Business Strategy Office was established to provide a quicker response to the transformations occurring in customer businesses as a result of changes in society.

Overview of the New Organization

The ServiceNow Business Strategy Office is a specialized unit of 150 persons, comprising top-ranked Japanese engineers mainly involved with introducing ServiceNow for IT operations management, along with consultants with industry specializations, that will function as a single team to lead and drive the ServiceNow-related business. By merging ServiceNow's digital technologies with NTT DATA's many years

of industry knowledge and IT operations experience, as well as experience and know-how with introducing ServiceNow, NTT DATA aims to develop advanced offerings and solutions.

• New Value Delivered

Digitization of IT operations management

In the IT operations management field, where there has been relatively little digitization, NTT DATA will combine ServiceNow’s digital technologies with its own IT operations management experience and know-how for introducing ServiceNow, in order to provide management services that support digital transformation for customers.

Industry-specific services

To quickly put in place system environments to meet the constantly changing business conditions facing customers, service providers need to utilize digital solutions to the maximum extent in industry-specific fields. NTT DATA’s operational knowledge and experience building and operating IT systems, combined with ServiceNow’s digital technologies, will establish and deliver services suited to the unique issues and environments of customer industries.

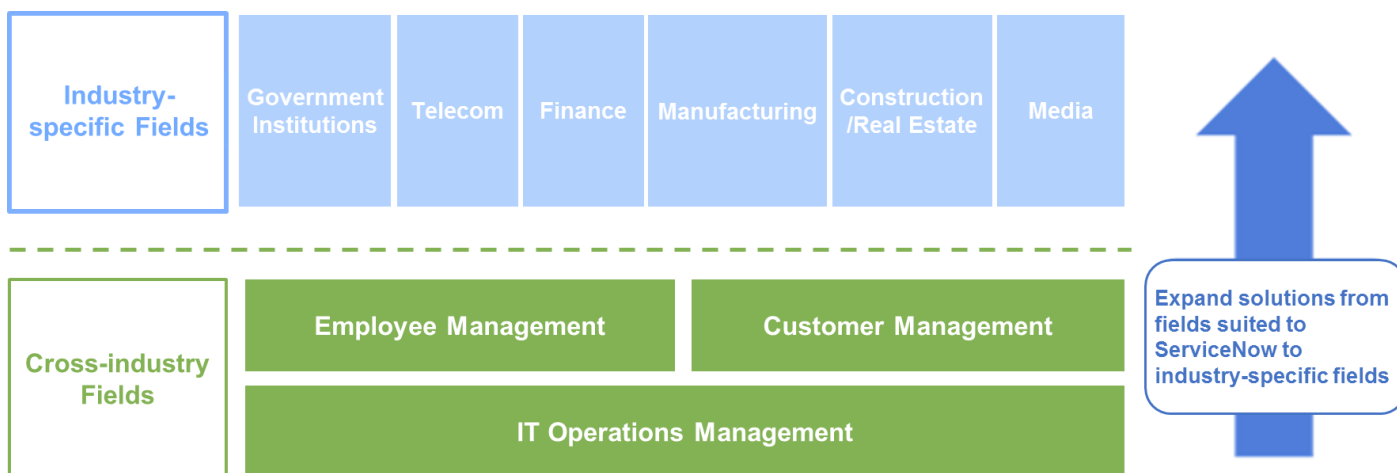


Fig. Expansion in Service Delivery Fields

• NTT DATA Group’s Experience and Know-how

1. Technical expertise of one of Japan’s leading firms with experience in applying ServiceNow
 NTT DATA began marketing ServiceNow in July 2019, and has accumulated expertise from numerous ServiceNow introduction projects in the public social infrastructure, finance, and corporate sectors, along with company-wide measures for consolidation of system operations.

2. Solutions offering a ServiceNow execution framework

NTT DATA has adopted ServiceNow for its IT infrastructure management service, and utilizes it as an execution framework for unified operations management of multiple systems.

NTT DATA has also begun using ServiceNow for the safety and health management that has become vital during the coronavirus crisis, as well as development of monitoring-related application packages. The company aims to apply ServiceNow as a service management solution for 100 internal projects within the next three years, and expand functionality.

3. Acorio’s consulting and human resources development expertise

In October 2020, NTT DATA acquired Acorio, one of the world's largest ServiceNow consulting companies. Acorio's consulting and human resources development knowledge is being applied to business in Japan.

Future Goals

NTT DATA will pursue ServiceNow-related solution development and value creation, aiming for sales of ¥50 billion by 2025.

Going forward, NTT DATA will draw on the strength of its extensive industry knowledge, and as a digital innovation partner for its customer companies, utilize ServiceNow technologies to support business transformation and new value creation for its customers.

Endorsement

Masashi Murase VP & Managing Director, ServiceNow Japan "ServiceNow Japan welcomes NTT DATA's decision to establish the ServiceNow Business Strategy Office. Since the start of our business relationship in 2017, NTT DATA has consistently introduced leading-edge ServiceNow technologies, and currently is not only one of the largest ServiceNow customer in Japan, but as a business partner has been developing the ServiceNow business globally. Going forward, we will jointly develop industry-specific solutions for the public service, financial, and corporate sectors, and work together to accelerate digital innovation in Japan, and offer services to customers."

Masashi Murase
VP & Managing Director, ServiceNow Japan

Notes

1. ServiceNow is a cloud-based platform and solution from U.S. firm ServiceNow Inc. delivering digital workflows that create exceptional experiences for both employees and companies, and enhance productivity.

ServiceNow, Inc.

<https://www.servicenow.com>

Sources

Gartner, *Magic Quadrant for IT Service Management Tools*, Rich Doheny et al., Oct. 6, 2020

Gartner, *Magic Quadrant for the CRM Customer Engagement Center*, Brian Manusama et al., June 4, 2020

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