## Initiative Supporting Digital Transformation of SMEs in Saitama City

Major issues facing small and medium-sized enterprises (SMEs) are "eliminating labor shortages" and "improving productivity."

The NTT EAST Group, in cooperation with the Saitama Chamber of Commerce and Industry, which has 12,000 member companies, has contributed to strengthening the foundations that support economic growth by aiding the Chamber and its members with digital transformation (DX). The keys to solving those issues are literacy and economic rationality.

"NTT EAST and the Chamber concluded a BPO agreement to provide consulting activities for members and to station staff at the Chamber itself to assist with DX."

Based on the cooperation agreement between the Saitama municipal government, Saitama Chamber of Commerce and Industry, and NTT EAST Saitama Branch, NTT EAST is in charge of the development and provision of DX tools and consulting services to support SMEs. The provision of DX package tools, which are easy for local SMEs to adopt, was established by utilizing assets from within and outside the NTT Group.

"It takes 50 hours per month to manually enter more than 100 cash receipts each month into our system. By automating the work with RPA, we were able to reduce that work by 90%, and I feel that our productivity has increased greatly now."

We provided "tailor-made IT support" as a consulting service in order to resolve the issues of "literacy" and "economic rationality" which can be a problem when introducing DX.

To reduce anxiety about the introduction of DX caused by a lack of digital literacy, inquiry desks were centralized, consultations were provided free of charge, and substantial followup services and support were available.

With regard to economic rationality, we built a model for the sharing of inexpensive DX tools.

"SMEs have a strong need for OCR, RPA, IT support, and cloud storage services. With the aim of setting a price that is acceptable to the members, we were able to solve the economic rationality problem by building a sharing model in cooperation with NTT EAST's Business Development Division and related vendors.

I believe that the system took advantage of the economies of scale since there are approximately 12,000 members of the Saitama Chamber of Commerce and Industry. We also solved the literacy problem by providing outsourcing support utilizing NTT EAST's

## human resources."

Through awareness of "literacy" and "economic rationality," and the utilization of DX services provided by NTT EAST Group companies and a wide range of vendor relations, we successfully created the DX package service that the Chamber had envisaged.

"I think the most important factor is that NTT EAST employees were stationed with us and we were able to acquire knowledge about DX. Although there are still many issues to be solved in terms of popularizing DX package services, we were able to create a foundation for sustainable corporate development."

"We are very pleased that you appreciated NTT EAST's human resources, skills and assets. Through our support for the Chamber, we will further improve our skills and work hard so that the Saitama Chamber of Commerce and Industry will appreciate NTT EAST as a communitybased partner even more."

NTT EAST is currently making approaches to 12,000 SMEs that are members of the Saitama Chamber of Commerce and Industry. We are further expanding our DX package services to address issues such as the creation of resources using human operations, remote support, and dual employment, as well as to meet security and back-office support needs identified during the implementation process.

As for future developments, we aim to roll out this model laterally to other Chambers of Commerce and Industry whose members include regional SMEs.

From the perspective that "business" equals "sustainability," the NTT EAST Group will work closely with its customers to realize a regional circular society created jointly by all business operators, thereby creating new value for the Japanese economy.