

# Utilizing VeriSM and SIAM knowledge, Further promoting Japanese DX

**IT is essential for companies. Now, we are moving to a phase where we consider how to make effective use of IT strategically. This article explains how DX underpins the strategic use of IT.**

**DX is a digital transformation. It means that a company changes its strategy, product(s), and business flow using the latest digital technology. VeriSM™ and SIAM™ offer useful skills to adapt to a DX environment.**

Many companies are struggling to adapt to drastic technology and business model changes in this era. These companies are looking for a way to understand and thrive in their new environment. VeriSM™ and SIAM™ knowledge act as a guide for companies in the DX environment.

Microsoft Japan Co., Ltd. Marketing & Operations Division, Solution Assessment and Promotion Headquarters has turned to a consulting team in order to make valuable proposals for customers. They are evolving from the conventional business style which was focused on Software Asset Management. VeriSM™ and SIAM™ are proving to be useful tools for them.



We conducted an interview about VeriSM and SIAM, how to use them and their potential with Mr. Teshima (Director/ Solution Assessment , Marketing & Operations), Mr. Miura (SR SAM Engagement Manager/ Solution Assessment, Marketing & Operations), Mr. Kato (Technical Architect, Microsoft Technology Center ).



## © VeriSM™ and SIAM™ give you advice that doesn't end with assessment —What kind of work are you doing at the Solution Assessment and Promotion?

**Mr. Miura:** Our team has moved away from the business model of managing customer software assets. We are acting as an assessment team that helps customers understand and use cloud systems and DX.

Mr. Teshima: We are not directly account management or sales teams. Our focus is not directly to “sell products” or “introduce Azure”, but rather to support our customers and help them to visualize the current state of IT assets such as customer business systems and servers.

After conducting a thorough assessment of the current environment, we work together with the customer to define what is the best solution for the, then connect the customer to MS sales teams and partners as a guide.

The current environment is challenging, and many customers don't know where to start. Moreover, it is difficult for us to fully understand the current status of all of their IT assets.

Some of them are overlooked, such as offline IT assets that cannot be detected by tools, or shadow IT that customers are not aware of.

If you do DX without grasping the current situation (creating a hybrid environment, introducing a new solution), you will only fall into an even more complicated environment.

This doesn't mean that everything will go well if you make an assessment, but at least the customers who have conducted the assessment have always received an evaluation that they were very good.

In addition, we often get feedback from partners (with management's understanding of the current state of IT correctly) that “business negotiations proceeded smoothly” and “the opportunity to introduce our own solutions”. The real pleasure of work.

### —So this isn't a direct sales strategy?

**Teshima:** That's right. Our business is to propose optimal solutions for customers in cooperation with our sales departments and partners. Our role is more comparable to that of a consultant.

When we visit customers, customers may think we are looking to sell them a solution, but by visualizing problems and issues that customers have not noticed through assessments, our focus is on thinking with the customer what is the best solution for them. For example, what should be kept as on-premises ?, and what should be sent to cloud ?

### —How did you discover SIAM™ ?

**Miura:** I moved to the current department in November 2018, but previously I worked in the support department for operations improvement and IT service management products for about 10 years.

So, I faced a situation where the customer was having trouble with their operations management tools. For that reason, I was telling customers that “operations management tools should be integrated and visible in one place”. However, even if the operations management tool becomes one, operations itself does not necessarily become one. While I was looking for a solution, a colleague introduced me to service integration and management (SIAM™), which resembles Microsoft's (\*) MOF. That was in March 2017.

At that time, more and more customers are asking the question, “What should we do for Operational management in the future when using the cloud?”

SIAM™ is a methodology for utilizing multi-service providers, allowing IT organizations to seamlessly manage IT services. I thought that the methodology that SIAM™ advocates is what customers are looking for now.

In particular, I thought that Japanese customers would need to look at SIAM™ when considering outsourcing and the limited number of human resources in IT departments.

I thought that incorporating knowledge of SIAM™ would give advice that doesn't end with assessment alone. I also thought that if we were able to assess operations based on SIAM™, we could contribute value to our customers.

(\*) MOF (Microsoft Operations Framework). A framework developed by Microsoft to organize and manage IT systems. A "process model" that models system operation processes into four areas: "change", "operation", "support", and "optimization".

### —Did you encounter SIAM™ while searching for a solution?

**Teshima:** When Mr. Miura came to my department, I learned about SIAM™ and at the same time I learned about VeriSM™ too. **VeriSM™ is a flexible business and IT management model required in the DX era.**

I have been engaged in software asset management for a long time, but the philosophy of SIAM and VeriSM is an extension of my work and I was very convinced of the way of thinking and necessity for them.

Our services for understanding the current situation often involve only a portion of the customer's IT assets, or can only be supported by the organizational unit they are responsible for. As a result, it was very difficult to optimize IT assets and operations management throughout the customer's organization. We continued to say, "By understanding the whole and making it visible, you can understand where you stand and make the right decision." However, it was difficult for the customer to understand.

The ideas from ITIL that describe managing Operations as a service provider is good, but when I considered about the whole organization, I thought that there might be a problem that consistency could not be achieved.

The idea of optimizing and managing the integration between multiple service providers using SIAM has become very addictive. When we explain these ideas to our customers, they can quickly see they value they provide.

### —So you thought about using SIAM™?

**Miura:** That's right. Everyone in our team learned SIAM™ and how it supports customer's operations management even when they shift to the cloud.

## ©Japanese Companies needs to understand VeriSM™ and SIAM™

### —Why aren't companies managing assets anyway?

**Teshima:** I think there are many reasons. One reason is that the IT department receives the request from the user department as it is and creates a system. These systems are not cost-sensitive and have poor overall consistency, or leave everything to the System Integrator. Another factor is that the system has become complex and developed silos due to repeated maintenance and corrections.

In Europe and the United States, packaged systems are used well, but in Japan, systems are often built with full customization. As a result, now that the system has become obsolete, even maintenance is difficult. Isn't it a negative history of Japan's own 30-year IT evolution?

### — Japan has the idea that the system is something that will be fully customized.

**Teshima:** I think the full customization is one of the reasons why DX doesn't advance in Japan.

**Miura:** There are dozens of fully customized items in one company, so it is difficult to integrate them. It

is a heavy burden to grasp and operate all the items that have been fully customized. After all, operations must be considered first.



After thinking about what real operation optimization is, I know SIAM, and there are places where it has become a little easier by incorporating SIAM principles in a traditional ITIL based service management organization.

I learned about SIAM™ after thinking about what real operational optimization is.

By incorporating SIAM™ from the ITIL base, it has become a little easier.

When talking to customers, there is the data center operational model the data center uses. When Azure is introduced, it is an operating environment for Azure. If you use another cloud, you say that it will create an operational

environment for it.

We are talking about "That's inefficient," but sometimes it doesn't work. At that time, customers will understand the value that can be introduced by SIAM™.

### —How are you presenting SIAM and VeriSM to customers?

**Teshima:** I learned both VeriSM™ and SIAM™. I think that the concept and idea of VeriSM™ should be understood from Top managers to generic employees in any Japanese company. SIAM™ is about how to integrate services, but VeriSM™ is not only for IT departments, but it is for HR, finance, sales and all departments. In particular, companies that are currently seeking to digitize their work in the process of work style reform, etc. will improve their overall performance when they understand SIAM™ after understanding VeriSM™. There are many customers who are not aware of this yet. We think we have to cut in there somehow.

What is worrisome is that the proposing side says, "If you install this solution, it will become a DX," and the customer also wants to catch up with competitors by using the cloud. Even if a partial digital solution is introduced without understanding the customer's current environment and direction, the company's DX will face other problem. I would like to appeal to many customers to understand that.

### —It seems that Japanese companies want an easy solution?

**Miura:** I think Japanese companies are now at the time to consider. It seems that Japanese companies are only thinking about their internal issues. The idea is to move from inside-out focus to outside-in. It's time to reconsider whether IT really contributes value to the consumer.

When discussing VeriSM™ or SIAM™, customers with a sense of crisis say they want to adopt them immediately. However, customers who are not experiencing issues say "Now it's okay" ... I feel that customers are polarized.

After all, it is difficult to persuade them, and there is no choice but to keep reinforcing the message. That is also a daily worry.

### —What changes after taking SIAM training and certifications?

**Teshima:** Not only I and Miura, but the whole team took SIAM™ in April 2019 and VeriSM™ in June 2019 to qualify.

By gaining qualifications and getting the right knowledge, I was able to confirm that I had been appealing

to customers in an appropriate way and gained confidence. I've been proposing the promotion of DX in the last few years, but DX has a wide range, so people have different interpretations. VeriSM™ and SIAM™ allowed me to explain logically and changed my approach.

**Miura:** There is a part that changed my belief that I was speaking from knowledge and experience that I had studied personally. By getting the qualification, I was able to feel confident in what I was talking about. It also leads to trust by saying that you are qualified.

### —Did you think you didn't have to get a qualification separately?

**Teshima:** That's not true (laughs). The basic concept of the management system is the same, but VeriSM™ and SIAM™ are the latest ideas in the DX era, so it is very helpful to understand them as knowledge and to have them as a backbone.

**Miura:** In-house production is common in Europe and the United States, but there are customers who are struggling to get out of Japan's unique environment of relying on a System Integrator. For such customers, we would like to support them from a broader perspective by taking the top qualifications of VeriSM™ and SIAM™

**Teshima:** I understand that System Integrators must also change, but there are some interests that cannot be changed. When you talk to customers about the systematic concept of VeriSM™ and SIAM™, they are finally returning to the zero viewpoint and rethinking.

Japanese businesses need to start to focus on IT at the strategic level, and develop their internal IT capabilities. They cannot expect vendors to do all of their thinking for them in the DX age.

To that end, enlighten customers with VeriSM™ and SIAM™.

Unless you do it, even with VeriSM™ and SIAM™, if they don't change or absorb new ideas, all of them will be left to the service integrator.

In order for companies to survive, the world in the future must be changed. If it is a new venture company, the system starts from scratch. The sense of management is also sharp. However, in order for legacy companies to survive, they must consider how existing IT systems can be broken by their own hands. I learned that VeriSM™ and SIAM™ were correct.

### —What about SMEs and large companies?

**Teshima:** I feel that SMEs are behind. Large companies and globalized companies have the same feeling as Europe and America.

**Miura:** I think major companies that are globalizing will change. However, customers who are mainly active in the Japanese market are not making progress.

Certainly, SMEs are behind, but SMEs are starting to work from where they are lighter and able to move. Cost consciousness is high, and I think that SMEs adopt the cloud faster than large companies. The larger the company, the more silos it has, making it difficult to progress.

**Kato:** Of course, reform is not an easy task, but Microsoft is constantly changing in response to changes in our environment, and we sometimes introduce them as examples. For example, the in-house IT department that once existed has been reborn as an engineering organization that supports Microsoft's own DX. I feel that they have become more involved in our work than before.

### —There are still many large companies that believe “cloud is prohibited”.

**Miura:** When I propose a cloud, it is said that “Sier's work will be lost”, but if they use the concept of

VeriSM™ and SIAM™, what the System Integrator was doing would function as a service integrator and be called an ecosystem. In this way, we can build a model in which comrades cooperate and contribute to customers' businesses. It should help them to create a new job, not lose jobs.

### —Are VeriSM™ and SIAM™ areas of knowledge that many people should know?

**Miura:** I think the keyman and leader should be qualified. Top management should know about the existence of VeriSM™ and SIAM™. The role of the service integrator or service provider is not important to them, but the knowledge of the customer organization that orders the system must have VeriSM™ and SIAM™.

Now, leaving everything to a System Integrator doesn't work. It is important to understand VeriSM™ and SIAM™, and it is important for management to be aware of VeriSM™ and SIAM™.

**Teshima:** In enterprise companies, various departments use the cloud. From the perspective of compliance and governance, I think top leaders who don't understand VeriSM™ and SIAM™ should have a sense of crisis.

Of course, we are not saying that you should be qualified for VeriSM™ and SIAM™ at the top. Rather, if the top management is not conscious and supportive of these ideas, you can't go forward even if you scream for company changes. The only difference is that the top layer knows VeriSM™ and SIAM™.

We want to spread VeriSM™ and SIAM™ to our customers, but we also want to spread it to Microsoft internally. Especially in the marketing department. VeriSM™ and SIAM™ are useful knowledge for marketing.

### —Would you share your future goals?

**Teshima:** Going forward, we plan to incorporate VeriSM™ and SIAM™ concepts into assessments. I would also like to change the perspectives of partners who have agreed with me and partners who have stopped working in the traditional collaborative style. And in order to further promotion of DX in Japan, the goal is to spread the word “you have to do DX with the concept of VeriSM™ and SIAM™”.

**Miura:** We want to be able to conduct enlightenment activities anytime and anywhere for our company and our customers, and we want to push out the aspect of being a consultant. We also need to be able to consult using VeriSM™ and SIAM™.

**Kato:** The Microsoft Technology Center has many sessions for customers, so I would like to work in collaboration with Mr. Teshima and Mr. Miura so that it can be used as a place to promote VeriSM™ and SIAM™.

#### **Profile**

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