



■ Critical Issues

■ The following issues will be resolved:

- Software development delays and development cost excesses deprive us of an opportunity to survive business competition.
- Now we are at our limit. We can't respond to any more software development demands.
- Our software development department has become oversized, and is already unmanageable.
- Although we are striving to improve software development, we haven't gained any successful outcome.
- Since we have little experience with software development, we don't really know how to introduce software into our business operations.
- Excessive dependence on outsourcing in software development tends to disrupt our reform.

■ JMAC Concept

■ Build software development strategy in linkage with business finance.

Since software development improvement activities are qualitatively planned and evaluated, it is difficult to recognize every result as a business outcome. JMAC evaluates the necessity to resolve software innovation issues from the standpoint of business targets. Further, JMAC establishes ideal software development strategies based on defined targets.

■ On a business organization scale, innovate development system and process.

The actual improvement of software development process tends to focus on partial optimization throughout the process. In order to successfully deal with software development issues at the business level, JMAC believes that major innovation activities will be required that focus on the overall optimization on the business organization level. JMAC redesigns software development based on the following two points; development organization and divisional cross-sectional development process.

< Development organization >

- Transform the development organization based on project units into one based on specialties.
- Build an organization that can flexibly respond to business characteristics and market changes.

< Development process >

- Construct cross-sectional development process that generates overall optimization on the business level.

■ Implement strategy in a short period of time.

Many development strategies are never implemented. In the development worksite, under its busy daily operations, reform leaders tend to accept the current situation. JMAC strongly encourages them to move forward and supports from many angles the development of an environment which enables them to focus on their reform activities. All these supports will ensure successful implementation of innovative strategies in a short time.

Software Development Strategy Innovation

Software development to realize overall optimization



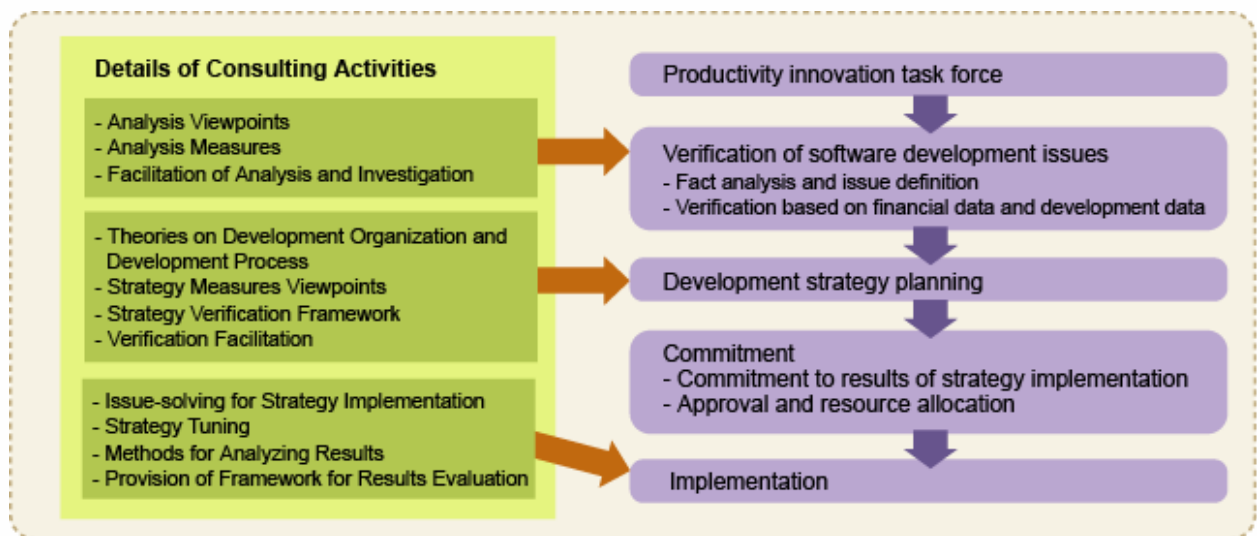
JMAC Features

A software development strategy measures task force will be established. Its leader will be top management in the division or the manager responsible for software development. Other members consist of managers in the software or other related divisions.

“Strategy Implementation Commitment”

Development strategy measures built by the task force require:

- Commitment by members to the business results through strategy implementation, and
- Approval of strategies by top management, and their commitment to allocating the business resources necessary for the strategy implementation.



Results

Business Results

- Software development strategy in response to clear business targets
- Progress in stalled software development innovation
- Improvement in business profit and loss
- Ensuring business opportunities
- Improvements in medium term business outlook

Innovate Middle Management Reform

- Organizational and process reform performance innovation
- Development of reform leaders through innovation experience
- Development of future business leaders