

News Release

Konica Minolta and Change Start Providing AI for Standardizing Operations Toward DX of Local Governments

Tokyo (January 19, 2021) – Konica Minolta, Inc. (Konica Minolta) and Change Inc. (Change) today announced that the companies have jointly developed artificial intelligence (AI) for helping to solve problems and standardize the operations of local governments, and started providing the AI in January 2021.

Key Points

- Eliminating the time required for surveys and studies on preceding cases related to business process re-engineering by using AI
- Presenting proposals to improve operations through the input of simple information by combining Konica Minolta's expertise in standardizing the operations of local governments and Change's know-how in developing AI
- Helping local governments to improve services for citizens and promoting workstyle reforms

As the workload of local governments has rapidly increased due to the Covid-19 pandemic, it is imperative to reform workstyles through digital transformation (DX) of operations. While the national government will take the initiative to standardize the operations and systems of local governments, it is necessary to promptly improve operations and promote the use of digital solutions based on preceding cases from the viewpoint of overall optimization instead of respective local governments.

Against this backdrop, AI for helping local governments standardize their operations was developed using Konica Minolta's track record in its consulting services based on know-how and data derived from visualizing and improving operations in cooperation with 50 local governments and Change's track record in AI development. The AI gives local government officials suggestions for improving the efficiency of their operations by inputting simple information. By improving operations, local government officials will be able to focus on core operations such as formulating policies, thus accelerating efforts to improve services for citizens.

Through the collaboration, the two companies aim to deploy the AI to 1,000 local governments across Japan in the future.

Konica Minolta and Change Working to Solve Issues in DX of Local Governments

In recent discussions on the digitalization of local governments, many studies to review and standardize their operations have been conducted. Local governments that have been leading the DX efforts have studied business process re-engineering (BPR) using digital solutions, and the ideal model of new operations of local governments has started to emerge.

In fiscal year 2019, Konica Minolta began to visualize the overall amount and flow of operations in cooperation with 50 local governments based on respective models (prefectures, ordinance-designated cities, core cities, general cities, and other basic municipalities). Through this process, the company has produced results by providing consulting services based on know-how and data.

With the growing need for DX in local governments, Change has been pioneering efforts to develop AI for public offices, support the use of various digital solutions, and develop human resources.

Konica Minolta and Change developed AI for helping local governments standardize their operations. Change's expertise in AI development is used in analyzing know-how and data collected by Konica Minolta. The AI can suggest improvements based on simple information entered by local government officials, allowing them to easily check the operational flow and preceding cases of other local governments and increase the efficiency of operations. Local government officials will thus be able to focus on core operations, such as formulating policies, and accelerate efforts to improve the level of services for citizens.

Konica Minolta and Change will offer the AI as a standard platform to local governments across Japan and thus help standardize their operations.

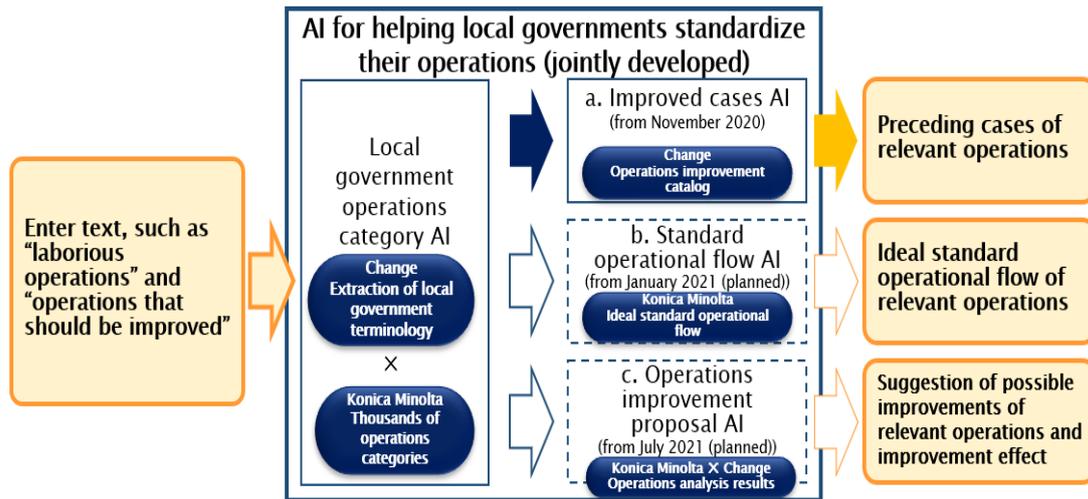
AI for Helping Local Governments Standardize Their Operations by Suggesting Improvements Based on the Input of Simple Information

The AI for helping local governments standardize their operations, which the two companies will start to offer, allows local government officials to enter text about operations that they consider are laborious or wish to improve. The pre-trained AI developed by Change based on a local government terminology dictionary refers to about 5,000 patterns (operations categories and work categories) developed by Konica Minolta and outputs the following three types of results.

- a. Preceding cases by other local governments (available from November 2020)

- b. Ideal standard operational flow of relevant operations (to be available from January 2021)
- c. Possible improvements to existing operations and calculation of results after improvement (to be available from July 2021)

Overview of the AI for helping local governments standardize their operations



Future Deployment

The system, which was developed by Konica Minolta and Change, has been highly evaluated by local governments that have already introduced the system. It is currently offered based on a “search” interface, which is highly convenient. The interface will be modified based on the information platform of respective local governments.

The possibility of deploying the system to local governments across Japan will be studied in combination with a business chat service for local governments (LoGo Chat), which has been introduced to more than 550 local governments, in cooperation with Trustbank, Inc. (Trustbank). LoGo Chat is provided by Trustbank, which is one of Change’s subsidiaries that administers Furusato Choice, a website specializing in donation to local governments of one’s choice, and has strong links with local governments.

Konica Minolta

Konica Minolta enhances its corporate value by addressing social issues, enhancing intangible assets and business competitiveness through DX, and offering value in a sustainable manner. In the digital workplace business, the company builds an ecosystem where various customers and partners are connected. Its business has been evolving to support customers’ workflow reform on an ongoing basis. It has

also been working actively to help improve operations by visualizing the administrative affairs of local governments utilizing know-how refined through in-house manufacturing operations and workstyle reform. As of the end of December 2020, Konica Minolta supports business process re-engineering of about 50 local governments, including prefectures, ordinance-designated cities, and core cities across Japan, such as Ehime Prefecture, Sapporo City, and Kobe City.

Change

Change is engaged in the New-IT transformation business, which consists of services using algorithm libraries and platform technologies, including AI, VoIP, mobility, IoT big data, cloud, and security, and training to develop digital human resources.

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