

FY2013

Diversity Management Selection 100

Collection of Best Practices



<http://www.meti.go.jp/policy/economy/jinzai/diversity/kigyo100sen/index.html>

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The remaining best practices are planned on being published at a later date.

List of Enterprises for the FY2013 Diversity Management Selection 100 (by industry/region)

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1. Diversity Management Selection 100

	Enterprise name	300 or less employees	Location (prefecture)	Human resources subject to recruitment or promotion						Management performance				Page
				Women	Foreigners	Persons with disabilities	Elderly persons	Persons with diverse careers, skills and experiences	No focus on any specific group	Product innovation	Process innovation	Improving external assessments	Workplace effects	
	Construction													
1	Zm'ken Service Co., Ltd.	★	Fukuoka	○						○		○		
2	SK-Home	★	Kumamoto	○						○		○		
	Manufacturing													
3	Astellas Pharma Inc.		Tokyo	○							○		○	14-17
4	Asahi Breweries, Ltd.		Tokyo	○						○	○			18-21
5	S.T. Corporation		Tokyo	○						○	○	○		22-25
6	MSD K.K.		Tokyo	○						○	○		○	26-29
7	Otsuka Pharmaceutical Co., Ltd.		Tokyo	○						○	○			30-33
8	Metrol Co., Ltd.	★	Tokyo	○							○	○	○	
9	Toppan Printing Co., Ltd.		Tokyo	○						○	○	○	○	34-37
10	Toppan Forms Co., Ltd.		Tokyo	○						○	○	○	○	38-41
11	Fujitsu Limited		Tokyo	○						○	○	○		42-45
12	Nippon Pharmaceutical Chemicals Co., Ltd.	★	Kanagawa			○					○	○	○	
13	Fujii Corporation Co., Ltd.	★	Niigata	○	○		○			○	○	○	○	
14	Kato Seisakusho	★	Gifu				○				○	○		
15	Hikari Kikai Seisakusho Co., Ltd.	★	Mie	○						○	○	○		
16	REGULUS CO., Ltd.	★	Mie			○					○	○	○	
17	Sekisui Chemical Co., Ltd.		Osaka	○						○				46-49
18	Teijin Limited		Osaka	○						○	○	○	○	50-53
19	Procter & Gamble Japan		Hyogo	○	○					○	○	○	○	54-57
20	Kyousei	★	Okayama			○					○	○	○	
21	Torayahonpo Co., Ltd.	★	Hiroshima				○			○	○	○	○	
22	Heart Co., Ltd.	★	Kochi	○						○	○	○		
23	Kikusui Shuzo Co., Ltd.	★	Kochi	○	○					○	○	○		

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				Women	Foreigners	Persons with disabilities	Elderly persons	Persons with diverse careers, skills and experiences	No focus on any specific group	Product innovation	Process innovation	Improving external assessments	Workplace effects	
	Information and communications													
24	SCSK Corporation		Tokyo						○		○	○	○	
25	Dunksoft Co., Ltd.	★	Tokyo	○	○					○	○	○		
26	Recruit Holdings Co., Ltd.		Tokyo	○						○		○		58-61
27	Cybozu, Inc.	★	Tokyo	○						○	○	○	○	
28	Hewlett-Packard Japan, Ltd.		Tokyo	○		○					○			
29	Microsoft Japan Co., Ltd.		Tokyo						○		○	○	○	
	Transport and postal activities													
30	Maruzen Unyu Soko	★	Osaka			○					○	○		
	Wholesale and retail trade													
31	Ikea Japan		Chiba	○							○		○	62-65
32	Takashimaya Co., Ltd.		Osaka	○						○	○		○	66-69
33	Tashiro Coffee Co., Ltd.	★	Osaka	○						○	○	○		
34	Kenkokazoku Co., Ltd.	★	Kagoshima	○						○	○	○	○	
	Finance and insurance													
35	Aioi Nissay Dowa Insurance Co., Ltd.		Tokyo	○							○	○	○	
36	Sompo Japan Insurance Inc.		Tokyo	○						○	○	○	○	
37	Bank of Tokyo-Mitsubishi UFJ, Ltd.		Tokyo	○							○		○	
38	Daiwa Securities Co., Ltd.		Tokyo	○							○	○	○	
39	Tokio Marine & Nichido Fire Insurance Co., Ltd.		Tokyo	○						○	○			70-73
40	Ogaki Kyoritsu Bank, Ltd.		Gifu	○						○	○	○	○	
41	Sumitomo Life Insurance Company		Osaka	○							○	○	○	
	Living-related and personal services, amusement services													
42	Tokushuiriyo Inc.	★	Hokkaido			○				○		○		
43	Okinawa Watabe Wedding Corporation	★	Okinawa		○					○				
	Education, school support													
44	Selectee	★	Miyagi	○							○	○	○	
	Medical, health care and welfare													
45	COCO-LO	★	Gunma	○						○	○	○		
	Other services													
46	Rakuten, Inc.		Tokyo		○					○	○	○	○	

1. Why is diversity management important now?

(1) Business strategy for building competitive advantages

Diversity management is a strategy for enterprises to utilize human resources required for building competitive advantages in a market environment or a technology structure where they are placed. It is important for enterprises to strategically utilize human resources as a part of the management strategy for the purpose of enhancing their competitiveness rather than promoting welfare and corporate social responsibility.

Globalization and other market environment changes have been behind the growing need for diversity management. These changes accelerate changes in and the uncertainty of competitive environments for enterprises and diversify their stakeholders.

Amid the changes, enterprises are required to take the following measures:

- Figuring out diversifying customer needs accurately and generating innovations to take new earnings opportunities.
- Responding to rapid environmental changes flexibly and positively and taking risks as business opportunities for flexible actions.
- Leading domestic and overseas investors to view enterprises as investment targets featuring sustainability.

As a business management strategy to meet these requirements, enterprises must conduct “diversity management” to create innovation and generate values by securing a wide range of human resources with various values¹ indispensable for business development and allowing them to exercise their potential² as much as possible. Diversity management is a standard tool for enterprises to survive the future.

(2) Achievements of diversity management

The diversification of employees itself is not the purpose of diversity management. Likewise, welfare and corporate social responsibility purposes are not the direct purposes of diversity management. The purpose is to make “business achievements” by securing various human resources indispensable for realizing the business strategy and by placing the right persons in the right positions and allowing them to exercise their potential as much as possible through the development of workplace culture and ways of working encouraging them to work ambitiously.

Business achievements here can be divided into four categories:

(1) Product innovation:

Developing and improving goods and services for commercialization

(Various human resources can combine their knowledge, experiences and values in various fields to produce “new ideas.”)

(2) Process innovation:

Developing and improving means to develop, manufacture and sell goods and services (including improving administrative efficiency)

(Pursuing ways of working for various human resources to exercise their potential as much as possible can work to improve efficiency and creativity.)

¹ “A wide range of human resources with various values” mean human resources that are diversified in terms of gender, age, nationality and the presence or absence of disabilities, as well as careers and lifestyles.

² “Potential” includes latent abilities and characteristics that various human resources possess.

(3) Improving external assessments:

Improving customer satisfaction, improving social awareness, etc.

(The utilization of various human resources and relevant achievements can improve corporate assessments by customers and markets.)

(4) Workplace effects:

Improving employees' motivations and workplace environments

(The development of environments for human resources to exercise their potential can improve employees' motivations and create meaningful workplaces.)

The first and second categories can bring about "direct effects" linked to corporate earnings and achievements. The third and fourth categories can have "indirect effects" on corporate earnings and achievements.

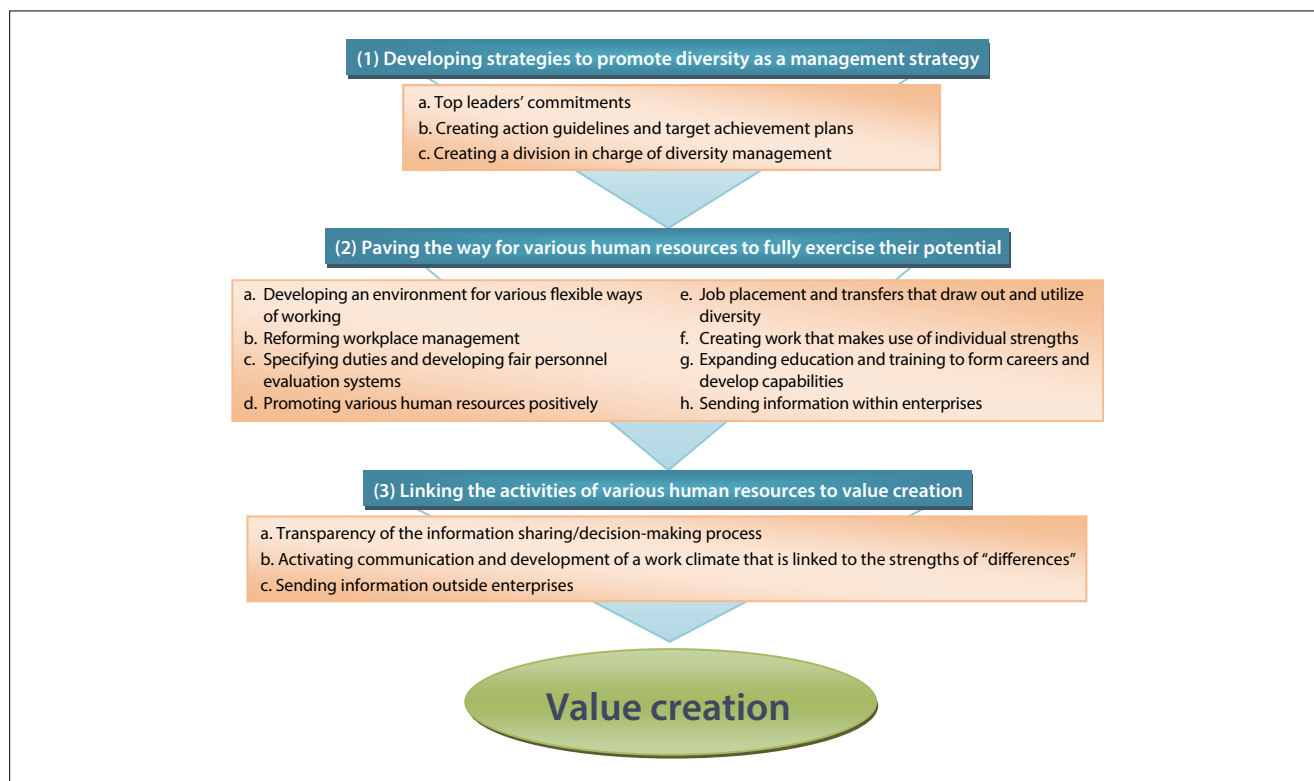
Diversity management includes various efforts to secure and retain various human resources and promote exercise of their potential, leading the four categories of achievements to emerge compositely.

2. Fundamental ideas of and approaches to diversity management

The "fundamental ideas of and approaches to diversity management" below compiled common elements of efforts at enterprises selected under the "Diversity Management Selection 100" project in FY2012 and FY2013 in order to allow other enterprises to link diversity management to business achievements.

Based on the fundamental ideas, enterprises should not imitate efforts of others but create and implement their effective approaches to "diversity management" in accordance with their business purposes and market environments.

Fundamental ideas of and approaches to diversity management



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(1) Developing strategies to promote diversity as a management strategy

Diversity management is a strategy for human resources that is oriented as part of management strategies by enterprises to build competitive advantage. By exhibiting the diverse capabilities of human resources in management, the base for utilization of human resources will be expanded and linked to responses to diverse market needs that make use of various perspectives, as well as the creation of innovation that makes use of “differences.”

It is necessary for strategies for promoting diversity management to be designed so that they are integrated with the direction of overall management. First, it is necessary to think of what kind of competitive advantage you are aiming to establish, in the environment in which your company is currently placed, what kinds of management strategies will be established in order to realize this, what kinds of human resources to secure in order to execute this, how to position them, what kinds of missions to give them, and how to achieve results based on what kind of management, and to construct such a series of approaches so that they are consistent.

a. Top leaders' commitments

◆Do top leaders send clear messages on “what diversity management is for their enterprises” and “what meaning diversity management has for them?”

Diversity management is a human resources utilization challenge for realizing business strategies. Positions and measures for diversity management may differ depending on the conditions in which enterprises are placed.

Top leaders of enterprises should consider and understand why they conduct diversity management and what they aim to obtain through diversity management, before they brief employees on these questions in an easy-to-understand manner.

Top leaders of enterprises may be required to reform existing workplace culture and ways of working to implement diversity management. Therefore, they must repeat messages to employees to spread understanding about the necessity of such management throughout their respective enterprises. Important for diversity management is not only the utilization of human resources but also the development of human resources. Therefore, diversity management may not necessarily bring about immediate effects. Therefore, the top leaders must sustain long-term management efforts while continuously sending messages on the importance of diversity management.

◆Do top leaders communicate with not only relevant divisions but also employees in general in proceeding with diversity management?

Diversity management is directly linked to employees' daily business operations so that particularly managerial officials' consciousness and management must be reformed. Top leaders of enterprises may fall short of realizing diversity management if relevant divisions alone are left to promote such management. While checking whether employees exercise their potential sufficiently to contribute to enterprise-wide performances, the top leaders must make both top-down and bottom-up efforts to improve diversity management measures.

It is effective to develop arrangements to accept and implement proposals from employees. By listening to employees' opinions even on minor problems found in daily business operations and repeating relevant improvements, top leaders of enterprises may pave the way for a change-accepting culture to be developed.

b. Creating action guidelines and target achievement plans

◆Is diversity management positioned in the corporate philosophy or action guidelines?

Enterprises can realize diversity management by positioning it clearly in their corporate philosophy or action guidelines for employees. As noted above, the diversification of employees itself is not any purpose of diversity management. Likewise, welfare and corporate social responsibility purposes are not direct purposes of diversity management. By creating diversity-related guidelines or specific goals for action on the basis of a shared image of the management results that should be targeted through the promotion of diversity, enterprises can support the promotion of specific actions and implement concrete measures.

◆Have you set quantitative and qualitative goals and benchmarks? Do you manage progress or measure degrees of progress appropriately?

The creation of action guidelines alone may not lead to the realization of diversity management. In order to promote diversity management, enterprises must analyze the present situation, find challenges and set medium to long-term targets. They must regularly measure degrees of progress in attaining these targets and reflect progress in the implementation of measures. In this way, it is important to implement the PDCA (plan-do-check-act) cycle for diversity management. Securing various human resources quantitatively alone may not naturally lead to achievements.

Women's share of managerial jobs and foreigners' share as employees are frequently cited as indicators of diversity management promotion. It is important to set target levels for these indicators. But increasing these indicators should not be taken as any purpose of diversity management. Enterprises must always specify the purpose of diversity management and who should do what to make what achievements. With regard to selecting numerical targets, it is important to establish some that are adapted to the current conditions. For example, for enterprises where the percentage of women making up the employee force is small, it is effective to establish goals related to the ratio of women when hiring employees.

c. Creating a division in charge of diversity management

◆Have you created arrangements to promote diversity?

In promoting diversity management, enterprises must reform not only personnel assessment, personnel distribution, work-life balance support and other personnel and labor management systems but also the entire organization including workplace management divisions. Arrangements to implement diversity management measures across divisional borders are required for proceeding with such enterprise-wide efforts comprehensively and systematically. This is because the appointment of officials with specific roles and the authority for such arrangements can be expected to increase the possibility of diversity management operations being sustained and make it easier for various divisions to become aware of and support these operations. An important premise for such arrangements is that personnel management officials rightly recognize diversity management.

If diversity management operations can be implemented flexibly even without any special or new division for such operations, some existing division may be authorized to take charge of diversity management. Particularly at small and medium-sized enterprises, this option may be more efficient in many cases.

◆A competent division alone is promoting diversity management, isn't it? Does the diversity management division closely communicate with other divisions?

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As mentioned above, approaches to promote diversity management are not concluded within the department that you oversee. They are simply management strategies that have the purpose of “strengthening the competitive power of an enterprise,” and it is necessary to expand measures by cooperating with relevant departments, starting with the sales planning department and various operational departments, etc. while communicating closely with them. The department that oversees diversity promotion is expected not only to expand and instill personnel policies related to diversity promotion throughout the company; they are also expected to plan and reexamine ideals for policies oriented toward diversity promotion as part of management strategies.

(2) Paving the way for various human resources to fully exercise their potential

In diversity management, enterprises aim to create innovation and improve productivity by figuring out employees’ potential and placing the right persons in the right positions. To this end, enterprises must give consideration to personal conditions and pave the way for all human resources to grow more ambitious about working and exercise their potential under various constraints. Consideration must be given to working mothers with children, foreigners with difficulties speaking Japanese, persons with disabilities who must be supported, and elderly persons who do not want to work five days a week on a full-time basis.

The word “challenged” indicates a new idea that persons with disabilities should be viewed as those who have been given missions or chances to take on challenges. Child-rearing women tend to try to raise hourly productivity with a sense of tension under time constraints. They can also take advantage of their child-rearing experiences to produce abundant ideas. It is important to take disabilities and time constraints as positive business chances or opportunities to raise productivity, instead of as negative factors.

In order to lead various human resources to become more ambitious about working and exercise their potential, enterprises must boldly reform traditional management systems for “constraint-free employees” into more flexible ones.

Time and labor must be consumed to reform ways of working. Such reforms may be taken by “constraint-free” employees as temporarily “inconvenient,” facing in-house resistance. By specifying what should be achieved finally, by paying attention not to the negative aspects of constrained people but to their potential and by developing and following up on knowhow or systems to extract their potential, however, enterprises can reform themselves into organizations where human resources with various backgrounds can work actively and voluntarily.

a. Developing an environment for various flexible ways of working

◆Have you reformed stereotyped ways of working into flexible ones meeting individual employees' respective conditions regarding work hours and places?

The stereotyped, rigid model for recruiting new male graduates as regular employees for long-term employment may serve to constrain opportunities for other human resources to exercise their potential. In order to enable for various human resources to heighten their motivation to work and exhibit their abilities, it is necessary to reexamine the conventional way of working, and firstly, to carry out reforms in the way of working so that an environment where employees with time constraints can participate actively in an equal manner can be developed, such as by reducing long-term labor, etc.

For example, in order to anchor human resources who have capabilities and motivation despite having various constraints, such as employees who are raising children and employees who are caring for family members at home, to enterprises and to have them exhibit their capabilities to the fullest extent possible, it is necessary to develop and run a flexible working atmosphere/system, as a “human resources utilization strategy.” For employees who have time constraints, rather than simply making adjustments by matching the workload and burden to time, it is desirable to provide support so that time constraints do not become a handicap, by increasing the degree of freedom of time and location and enabling for a flexible way of working, such as through a flex-time system and telecommuting (working from home). For employees who are in a child-rearing phase, support to enable for the employee to easily secure their working time, for example by subsidizing costs related to child-rearing such as babysitter fees, and placing them in locations with a short commute time, can be considered.

In order to develop a work environment where disabled persons can work easily and exhibit their capabilities, it is important to develop the hard aspects of barrier-free, etc. workplaces, construct a support system within the workplace, and coordinate with local job assistance agencies.

Trends where major enterprises have taken the initiative in developing various systems, and where small-and medium-sized enterprises have developed the necessary approaches and systems on a case-by-case basis in accordance with the individual circumstances of employees who have needs can be observed. Rather than solely establishing systems, it is effective to implement reexaminations on a continuous basis, such as making improvements to operation methods, while confirming whether the systems are ones where they are actually used easily by employees.

◆Does the design for employment classifications inhibit active participation by various human resources?

In order to expand opportunities for active participation by employees who have restrictions related to the workplace, etc., it is necessary to carry out individual personnel management that enables for various ways of working in accordance with individual circumstances. Although there are some enterprises that have established employment classifications of a type that are limited to work location, when an error is made in design or operation of employment classifications, it is necessary to take heed, as this restricts opportunities for active participation by various human resources, such as the employment classifications becoming substantively gender-segregated.

Even if employment classifications are to be established, as there are enterprises that establish mechanisms where, in setting and operating such classifications, it is possible to reciprocally switch between employment classifications by comparing employees' desires and the enterprise's needs for utilizing human resources, it is necessary to review whether there is rationality in upper limits in such cases. At the same time, even in comprehensive work where work locations are not limited, it is important to reexamine the frequency and timing of transfers associated with moves, and to carry out flexible operation such as by taking child-rearing and nursing care into consideration.

b. Reforming workplace management

◆Are you making efforts to reform managerial officials' consciousness to allow various human resources to exercise their potential?

The largest challenge in implementing diversity management is workplace management. Even if diversity management systems are developed, constraints on opportunities for employees to exercise their potential may discourage them from working or exercising their potential sufficiently, leading diversity management to fail before any achievements are made.

First, employees including managerial officials must understand and agree to their enterprises' purposes of diversity management (why they must tackle diversity management now). Then, it may be effective to consider how best to take advantage of diversity for resolving present organizational challenges based on the grand goals of the corporate philosophy and action guidelines.

Employees may agree to the promotion of diversity management but oppose specific measures. In order to promote diversity management on a corporate-wide basis, enterprises must consider all divisions' respective specific measures to be taken at workplace levels and include these measures into performance evaluation to give sufficient incentives to managerial officials.

◆Are you making efforts to improve the management skills of managerial officials?

It is necessary to improve the management skills of managerial officials. While *a-un breathing*, or rhythmic breathing, is sufficient for the traditional management of even organizations, more advanced workplace management skills are required to unite human resources in various conditions to maximize organizational performances for the purpose of achieving business goals.

Managerial officials must explain the business goals, processes, deadlines and performance evaluation for various employees through orderly communications. Particularly, they must make intentional efforts to convey ideas and win understanding at

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workplaces that are abundant with foreigners having different values and cultural practices, physically challenged persons having difficulties in communications even through domestic language, or people having diverse values.

Managerial officials cannot develop such management skills naturally. Training sessions and workshops must be used to reform their consciousness to improve their management skills. In an effective approach in addition to reforming workplace management from the viewpoint of diversity management, enterprises may take the viewpoint of diversity management into account when implementing workplace management reforms.

c. Specifying duties and developing fair personnel evaluation systems

◆Are personnel evaluation systems easy for everyone to understand? Are duties and goals specified to secure fair evaluation?.

Fair personnel evaluation must be implemented in accordance with duties and performances, irrespective of employees' personal attributes or ways of working. To this end, enterprises must specify roles that employees are expected to play and goals that they should achieve and must lead them to understand their ways of working and their goals and make efforts for achieving their goals. Their seniors are required to appropriately follow up on their efforts. In global business management where human resources of different nationalities and from different cultures are utilized, particularly, fair personnel evaluation is important for retaining and improving employees' ambitions to work.

Even if a work-life balance support system is designed to make it easier for users of the system to work, it may not turn out to be a useful system in the presence of fears that users of the system could be rated unfairly low. Even if some employees achieve great performances while using the system, their ambiguous evaluation may cause frictions between these and other employees.

In order to introduce a work-life balance support system and facilitate its implementation, enterprises must specify in advance the standard quantity and quality of output that users of the system are required to produce and must evaluate their performances based on such standards. By doing so, even when there are time constraints, it becomes possible to move forward with work systematically, produce the expected output, and have human resources participate actively by maintaining a high level of motivation.

d. Promoting various human resources positively

◆Aren't you focusing on achieving numerical targets for promoting human resources?

Under traditional personnel management systems, it is more difficult for human resources other than majority or mainstream employees in an organization to be promoted to managerial posts. In order to improve such situation and place the right persons in the right positions in accordance with their capabilities and performances, it may be effective for enterprises in some cases to implement "positive action" efforts as a transitional structural reform to positively promote non-majority or non-mainstream employees. But setting and achieving numerical targets for promoting these employees may bring about adverse effects. Enterprises must implement training sessions to make up for business experience shortages and reform employees' consciousness to expand the range of employees for promotion and must build a corporate-wide follow-up arrangement for promoted employees in order to develop an environment where promoted employees can exercise their potential sufficiently. In addition, in order to promote foreigners, mid-career workers, etc., to managerial posts it is desirable to construct a personnel treatment system that is not associated with nationality and length of service.

e. Job placement and transfers that draw out and utilize diversity

◆Are job placement and transfers consciously carried out in a way such that the diversity of experiences and skills of human resources is increased and new possibilities can be developed and exhibited?

It is important to actively increase diversity of the experiences and skills of human resources through conscious job placement, transfers, etc., rather than being limited to respecting the diversity of individual human resources. When the diversity of experiences and skills is increased, it becomes possible to further draw out the capabilities that each individual human resource can exhibit, and to broaden opportunities as well as possibilities for active participation.

In addition, by broadening the view of individual human resources through new experiences based on job placement and transfers, there are expectations for original ideas to be born regarding business plans, and to link these ideas to reform of the work process.

In job placement and transfers, it is important to increase the growth willingness of a person, by making comparisons with their own career conscious, while clearly conveying the significance of cultivation of human resources through sufficient communication with the person, rather than simply forcing the convenience of the enterprise side onto the person.

f. Creating work that makes use of individual strengths

◆Are opportunities where various human resources can exhibit their capabilities in their work and make use of their individual strengths being actively established?

In order to link diversity promotion to management results, it is important to create opportunities where human resources with various senses of values and capabilities can make use of their ability and exhibit their individual strengths in their work. For example, the perspectives of individual employees as citizens and their experiences in child-rearing, nursing care, etc. can be put to use in developing products and services as well as marketing. In addition, in bringing up work where disabled persons and the elderly can exhibit their capabilities in accordance with their respective characteristics, and shaping how they proceed with work, process innovation occurs, increasing production efficiency for society as a whole, and thus enabling for a higher quality of products and services to be realized.

It is also possible to promote work improvement within the company by actively making use of the experiences of mid-career workers in their previous occupations and generating new services.

In other words, “creation of work” that makes use of strengths, and “provision of opportunities” for various human resources accelerate the growth of personnel, and are linked to creating new innovations from the perspectives and capabilities that each employee possesses.

g. Expanding education and training to form careers and develop capabilities

◆Do you implement managerial job training for various human resources to put various persons into a decision-making class? Have you prepared various means to improve employees’ skills?

Women and other non-majority or non-mainstream human resources in organizations have had little access to opportunities for improving skills or to tangible and intangible in-house resources for developing management skills in some cases. If these human resources are selected and promoted to managerial jobs without any training, they may fail to fully exercise their potential and may lead to a feeling of failure.

Motivation training and finely tuned follow-up systems are required for non-majority or non-mainstream human resources to exercise their potentials. For example, workplace management training and mentor systems for female employees can be used to positively provide women with knowhow that mainstream employees have inherited as implicit knowledge. These

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systems are very effective.

Also important are efforts to help various human resources build skills. In addition to providing on-the-job training related directly to jobs, enterprises may promote and support employees' acquisition of qualifications, may introduce e-learning programs that employees can use without being bound by time or space constraints and may develop leave and subsidy systems to promote employees' learning. By implementing these measures, enterprises may become organizations where individual employees voluntarily and positively try to build their skills. It will also be effective to provide these human resources with opportunities to build career plans and autonomously tackle their work.

◆Have you indicated various role models to make employees more ambitious to work?

The presence of role models indicating medium to long-term prospects for career development is required for employees to remain ambitious to work. For women, particularly, the absence of familiar role models is frequently cited as a problem. A large enterprise may network best performing women at various divisions, allowing all female employees to find role models and share successful experiences. Such networking may also prompt them to feel that they are not alone and to become more ambitious to work. If enterprises are yet to have sufficient role models, they may network with each other to allow their employees to find role models outside their respective enterprises. This kind of networking will also be effective.

h. Sending information within enterprises

◆Are policies related to diversity promotion being communicated within enterprises, and are results being shared?

Even if various measures are taken for diversity management, failure to make all employees aware of these measures may prevent any enterprise-wide achievements from being made. Enterprises may positively publicize employees' specifics, duties and achievements to allow diversity promotion achievements to be shared throughout the organization, leading to corporate culture reforms. Publicizing role models who have raised ambitions to work and developed their performances may encourage other employees to grow more ambitious to work. This could become a measure to improve employees' ambitions to work.

(3) Linking the activities of various human resources to value creation

In order to link diversity management to results, reforms of the decision-making process and organization culture are sought after in order to respect and reflect the sense of values and ideas of various human resources and to link this to value creation while sharing the basic values and orientation as an enterprise in the form of corporate principles, action guidelines, etc.

Furthermore, through activities that externally communicate results based on diversity, corporate values increase through reputation and trust from general consumers and investors, and a virtuous cycle that links this to securing superior human resources, etc. is born.

a. Transparency of the information sharing/decision-making process

◆Do the internal information-sharing and decision-making processes have high transparency for all employees?

It is necessary to ensure that the information-sharing and decision-making processes bring a sense of satisfaction, and are fair and have high transparency among various employees. The idea of "one should know without having to be told," and decision-making by only the majority/mainstream employees are not appropriate for diversity management. With regard to the decision-making process in management and in operation of in-house meetings, it is necessary for the opinions of various human resources who have different ways of working, senses of values, and communication styles to be reflected, and to reexamine the process so that there is a mechanism where a sense of satisfaction can be obtained regarding decision-making.

b. Activating communication and development of a work climate that is linked to the strengths of “differences”

◆Are employees interacting broadly with each other and providing stimulation for each other in order to link the “differences” that various human resources have to strengths in management?

Among enterprises that are making approaches to diversity management, there are many that are implementing off-site meetings and committee activities that are carried out in a cross-departmental manner away from everyday work. These approaches are effective in order to activate communication that generates corporate values while various human resources pool together their respective ideas and senses of values, and provide stimulation for each other, rather than simply participating in the activities. By consciously promoting these kinds of measures, an airy workplace climate that does not fall victim to sectionalism will constantly be created on a daily basis, and the diversity of the ideas and ways of thinking of individual employees will be linked to innovation.

c. Sending information outside enterprises

◆Is information on the state of active participation by various human resources being communicated outside enterprises?

Sending diversity management information outside enterprises may allow the general public to come to know that these enterprises provide workplaces where various human resources can easily exercise their potential, contributing to promoting local employment of various human resources and to securing excellent human resources from various regions throughout Japan. This may also improve various stakeholders’ ratings of enterprises, including customers’ images of enterprises and investors’ confidence in enterprises, which creates a foundation of the enterprises’ sustainability.

3. Conclusion

If enterprises are to establish competitive advantages in the current severe environment including the intensification of global competition and slumping domestic demand amid the falling number of children and aging population, they should take maximum advantage of various human resources’ capabilities for creating values. If individual enterprises enhance their competitiveness by making effective use of human resources as business resources in nominal and real terms, it may help the Japanese economy overcome deflation and shift to a growth path.

Diversity management is part of a business strategy and should be implemented strategically to enhance corporate competitiveness. The biggest challenge for diversity management is workplace management reform. Top leaders’ strong leadership and continuous efforts are indispensable for putting an end to inertial workplace practices among managerial and other employees to make progress in diversity management.

We expect enterprises to promote diversity management to enhance their competitiveness while referring to specific cases as described in “Diversity Management Selection 100 -- Collection of Best Practices.”



FY2013 Diversity Management Selection 100 — Collection of Best Practices

* In these materials, the best practices of some companies that have made approaches toward active participation by women, from among the 46 companies that received awards, are translated.

The remaining best practices are planned on being published at a later date.

Corporate Name

Manufacturing

Large enterprise

Astellas Pharma Inc.

Female medical representatives (MR) flexibly dealt with an increase in the number of female doctors as well as the enhanced corporate social responsibility for pharmaceutical manufacturers, contributing to improvement in sales.

Main points

- ▶ In an aim to grow as a “truly global company” where various human resources can participate actively, regardless of race, nationality, gender, or age, approaches are being made toward diversity management as a core policy.
- ▶ Promotion of active participation by women in Japanese society, which had a low percentage of women as compared to overseas, is oriented as a “key test” for growth as a global company.
- ▶ In an aim to generate a “refreshing breeze” within the company, the “WIND Project” to promote women was initiated in 2007.
- ▶ In addition to changing the consciousness (change management) of women themselves, a systemic reform (framework reform) for supporting women who are actively participating are being implemented.
- ▶ As “framework reform,” diverse approaches such as a system for supporting cohabitation at the time of marriage, cost burdens for daycare, support for transportation to and from daycare, shortening of work hours, etc. are being expanded.
- ▶ Female MRs, which continue to increase, respond to changes in medical care sites, such as an increase societal responsibilities, which is becoming desired of pharmaceutical companies, and an increase in female physicians.
- ▶ Based on the creation of work manuals led by superiors and female employees on site at many departments, it is now easier to return to work from maternity leave and childcare leave.

Corporate philosophy of Astellas Pharma (Significance of existence))



Contribute to the health of people in the world through advanced and reliable medical care

- Delve deeper than anyone else into the unknown possibilities of life sciences.
- Continue taking on new challenges and create the latest medicinal products.
- Deliver high quality and accurate information, and build unshakeable trust
- Accommodate the healthy lifestyles of people in the world
- Continue to shine in the world

Data

◎Corporate profile

Year of foundation	1923	Capital	103,000 million yen
Head office address	2-5-1 Nihonbashi-honcho, Chuo-ku, Tokyo		
Business outline	Manufacturing, sales, and import and export of medicinal products		
Sales	1,005,600 million yen (to March 2013)		

◎Data for employees (unconsolidated)

Number of employees	5,802 persons (*regular employees only)
Number of employees by attribute category	[Women] 27.3% Women's share of managerial jobs at 5.7% (domestic group consolidation)
Average service years for regular employees	16.2 years (17.1 years for men, 12.5 years for women) (*regular employees only)

Background and goals of diversity management

Diversity management to grow as a “truly global company”

Astellas Pharma is a company that was born through a merger between Fujisawa Pharmaceutical Co., Ltd., which was established in 1894, and Yamanouchi Pharmaceutical Co., Ltd., which was established in 1923, in an aim to become a truly global pharmaceutical company with sufficient competitive strength in the global market for medicinal products. Currently, Astellas boasts the second highest sales in Japan, after Takeda Pharmaceutical Company. Astellas possesses many overseas bases such as in the Americas, Europe, and Asia, and is a global company where approximately half of consolidated sales (44.6% in FY2012) are made up of overseas sales.

In 2006, the post-merger Astellas Pharma formulated the “VISION 2015” management vision for up to the year 2015, in order to win out the every-intensifying global competition. In this vision, “various human resources” are oriented as the largest management resource that was generated from the birth of Astellas Pharma, and it is declared that exhibiting the capabilities and possibilities of the various human resources that gather at Astellas as to the fullest extent is indispensable to achieving the management vision. Astellas is making approaches toward diversity management as a core policy, in aiming growth as a “truly global company” where various human resources can actively participate, regardless of race, nationality, gender, and age.

As part of such approaches, the WIND Project that promotes utilization of women was initiated in November 2007. WIND is the acronym for Woman’s Innovative Network for Diversity, and as its name suggests, the aim of this project was to “create a refreshing breeze within the company.”

Organizational culture as a global company at the Japanese headquarters

The background behind the start of the WIND Project lies in the peculiarity of the Japanese headquarters. Among the 17,000 employees in the group as a whole, 9,000 are employees at overseas bases, indicating that the percentage of overseas employees exceeds 50% (as of FY2012). Among these overseas bases, there are some regions where the percentage of women is so high that it is incomparable to the percentage of women at the Japanese headquarters; many of the women are returning early to work after getting married or giving birth.

At the same time, the percentage of female employees in Japan in 2007 was an extremely low 24%, and in particular, there was only 2.6% in management positions (for the domestic group as a whole). In 2007, there was a monoculture with high homogeneity of men. In an organization culture with high homogeneity, there is the comfort of being able to share easily without making an effort and the simplicity of solidarity. On the other hand, it is difficult to generate

innovation to win out the tight global competition. In order to grow as a truly global company, active participation by various human resources and an organizational culture that gives birth to innovation from various ideas are necessary.

Although there are various perspectives to diversity, such as race, nationality, gender, and age, the target of promoting active participation by women was brought up first of all as measures for Japan. As it is difficult to achieve “VISION 2015,” which Astellas Pharma is also aiming to achieve, in a state where the issue of active participation by females cannot be resolved, developing an organizational culture in which women can actively participate was oriented as the major premise in growth as a truly global company. The WIND Project can be considered as a “key test” for growth that determines whether the stance that Astellas is aiming for can be realized.

Specific measures for promoting diversity

“Change management” for reforming the consciousness of women

The pillars of the WIND Project are “change management” and “framework reform.”

In 2007, when WIND was inaugurated, there were not many female employees, and almost none who were in management positions. In other words, since there were no role models for women within the company, “change management” to reform the consciousness of women was necessary.

As “change management,” WIND forums and WIND meetings were held for female employees, to raise awareness for women. In addition, WIND mentoring (described below) was also newly implemented for women in management positions. In addition, approaches to change the consciousness of not only women themselves but their supervisors and colleagues at the workplace were also carried out. Required training for all employees, including supervisors, was implemented, and lectures and diversity management training for men in management were also held.

Furthermore, public relations activities to ferment a diversity mindset were also carried out on a companywide level. Various channels were utilized to implement public relations activities using various means, from distribution of handbooks and establishment of WINDnet on the company intranet, to publication of company magazines, WIND communication, and wall newspapers. Approaches were made to brew an atmosphere of support for active participation by women.

Starting in FY2011, as an important approach for “change management,” “WIND mentoring,” in which executive officers (20 people) mentor females in management positions (total of 104 people up to FY2013) came to be initiated once a year, on a one-on-one basis with each session lasting approximately 1 to 2 hours per person.

This “WIND mentoring” aims to raise the consciousness

and goals of women in management positions, strengthen their leadership and leadership abilities, and reduce anxieties that they may have regarding management positions. In addition, as male executive officers are able to carry out dialogues directly with women in management positions, another large objective of this program is to increase awareness regarding participation in diversity management of executives.

“Framework reform” for supporting actively participating women

In addition to “change management,” various system reforms and enrichment of systems were carried out as “framework reform.”

In 2008, the “system for supporting cohabitation at the time of marriage” was introduced in the Sales Headquarters. The turnover rate for female employees before this system was introduced was five-fold that of male employees, and one of the reasons behind this was that there were many resignations by female MRs (medical representative: people in charge of medical information). Marriage was one of the biggest reasons behind resignation by female MRs at the time, and the “length of binding hours” and “not being able to select work locations” were a large obstacle in continuing work even after marriage. Thus, a system where, in cases where people who will be marrying another employee of the company as well as those who will be marrying an employee in a sales position satisfy certain conditions, a transfer to an area where they can live with their spouse at the time of marriage is acknowledged was introduced. After the introduction of this system, which can be used by both males and females, the number of resignations of female MRs decreased greatly.

In addition, the difficulty of enrolling children in accredited nurseries is also a factor that hinders returning to work after giving birth. As career support in the form of early return to work by women, a system where, if a child is not enrolled in an accredited nursery, a maximum of 160,000 yen for daycare fees exceeding 80,000 yen per month is provided for up to six months was introduced in FY2009. In FY2010, as a measure for supporting child-rearing, transportation to and from daycare using company cars used by MRs in their work was approved.

With regard to the issue of working hours, “Family Friday (FFday)” for people in clerical positions at headquarters was introduced in FY2009. In this system, the closing time on Fridays is moved up by an hour and 45 minutes. For example, if the closing time at headquarters is normally 5:45 PM, on Fridays the closing time is moved up to 4:00 PM. If one leaves the company at 4:00 PM, it is possible for even employees who are working away from home to return home and eat dinner with their family. However, for the MR department, which has customers, shortening of working hours is promoted by shortening the working time every day by 15 minutes, and providing a summer break of three days.

Based on these “framework reforms,” it was possible to develop an environment where women can continue to work even after marriage and childbirth.

Managerial effects through promotion of diversity

Responses to changes in medical settings by rapidly increasing MRs

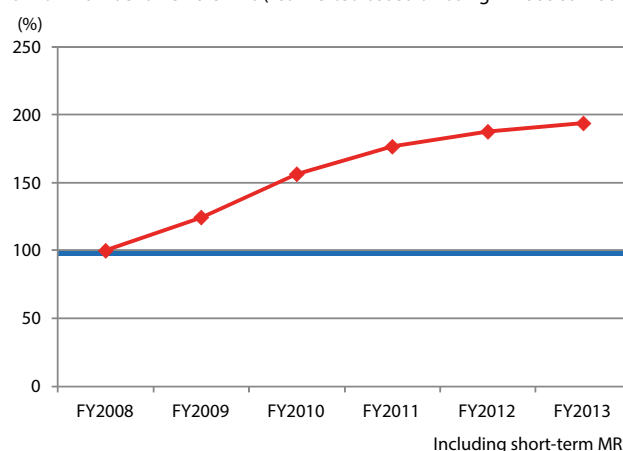
Sales positions in the pharmaceutical industry are referred to as MRs, and they play a role in building relationships of trust with physicians and popularizing their company’s medical products through providing information for proper usage of pharmaceutical products for physicians.

As sales activities for MRs consisted of having to make visits in the morning as well as visits to physicians in the evening, as well as business entertainment including wining and dining in the nighttime (not carried out since FY2012 due to voluntary regulations by industry organizations) and hosting study sessions on weekends and holidays for physicians, it was difficult for women who have household chores and child-rearing to take care of to be MRs, and even Astellas Pharma had very few women MRs up until about 10 years ago. However, after approaches for active participation by women were initiated, the number of female MRs increased, and doubled in number in a five-year period from 2008 to 2013.

The increase in female MRs is thought to be a response to the following kinds of changes in the drug market.

The first is an increase in female physicians. In Japan, the percentage of female physicians stayed at around 10% for a long period of time, but this percentage started increasing during the 1990s, and reached 18.9% in 2010. In addition, women came to account for 1 out of three people who passed the national examination for medical practitioners, and in the future, it is definitely expected for women to make up more than 30% of the population of physicians overall. As female MRs are considered as being more approachable than male MRs, there are many female physicians who are regarded as being easy to communicate with, and opportunities for active participation by female MRs is expanding.

Shift in number of female MRs (*converted based on using FY2008 as “100”)



In addition, the fact that the roles desired of MRs are changing is linked to active participation by female MRs. In the past, the main role of MRs was to market the efficacy of drugs to physicians and to expand sales of their company’s products. However, today, in addition to PR for efficacy, the

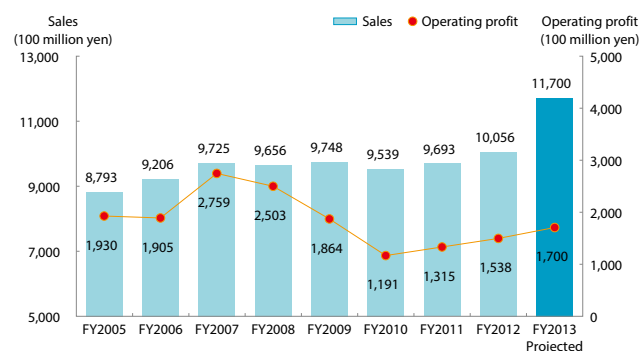
role of conveying information related to safety of drugs such as adverse effects to physicians honestly and sincerely is becoming extremely important.

Such honest and sincere communication is an area in which women have strength, and expectations for female MRs as people who can definitely fulfill this role continue to increase. In particular, women have a strong attitude of respecting ethical and social "righteousness." In recent years, issues related to medicinal products have gathered attention around the world, and providing correct information on the safety and reliability of medicinal products is a societal responsibility that should be fulfilled by pharmaceutical companies, but in fulfilling such a societal responsibility, the strengths and fairness of female MRs can be exhibited to the fullest extent.

Workplace environment where female MRs can actively participate is contributing to favorable corporate performance

The following diagram indicates shifts in Astellas Pharma's sales; starting in FY2005 after the merger, sales have expanded steadily, and reached 1 trillion yen in FY2012. The background behind such an increase in sales lies in various approaches by Astellas Pharma that aim for growth as a truly global company, but the promotion of active participation by women, which is a core policy, and the fact that as a result of this, a workplace environment and organizational climate where female MRs can actively participate were developed is thought to be contributing toward expansion of the company.

Shifts in sales and operating profit (consolidated)



"Business Summary and Growth Strategy of Astellas Pharma: Moving towards Sustained Growth"
(from materials distributed at an explanatory meeting for investors)

Easy return to work from maternity leave and childcare leave through the creation of a work manual led by female employees

The diversity training implemented at each workplace changed the consciousness of employees. For example, at the DI (Drug Information) Center, from the perspective of diversity promotion, work was reexamined mainly by female leaders, and approaches were made toward creating a manual that clearly indicates the response flow. As a result, significant equalization of work was promoted, and active participation immediately after returning from maternity leave and childcare leave became easier. At the DI Center, where a large number of

women work, there were many women who resigned due to a life event, and although a low reinstatement rate has been an issue since the past, nearly everyone now returns to work.

Change to an organization where women actively participate, elimination of gender difference in the turnover rate

As a result of approaches for promoting active participation by females through the WIND Project, the percentage of female employees (for the group as a whole) increased from 24.0% (FY2007) to 27.3% (FY2012), and the percentage of females in management positions increased from 2.6% to 5.7%. FY2012 gave rise to the first two female division managers.

In addition, the turnover of females, with the exception of those who retired, in FY2008 was 2.7-fold that of males, indicating a large gap. However, the turnover of females decreased every year, down to nearly the same level as the turnover of males in FY2012.

Shifts in the percentage of full-time female employees and percentage of women in management positions (consolidated, group within Japan)

	2007	2012
Percentage of full-time female employees	24.0%	27.3%
Percentage of women in management positions	2.6%	5.7%

In an aim to produce female executives who can actively participate on a global level

Based on the policies for promoting active participation by women, which have been continued for six years at Astellas Pharma, the stage on which women can actively participate has definitely expanded, and the organizational culture of Astellas continues to change greatly. The current Representative Director and Executive Vice President of Astellas Pharma, Yoshiro Miyokawa, who was the Director of the Personnel Division at the time when the WIND Project was inaugurated, has expressed these results as "having changed the landscape within the company." Promotion of active participation by women continues to be oriented as a "key test" for growth, and the organizational culture full of diversity that Astellas is aiming for as a truly global company continues to be steadily realized.

At one point in time, the person responsible for the Development Division at Astellas Pharma in the United States pointed out to Miyokawa that the "Japanese should aim for a company that is comfortable." Although an organizational culture that is highly homogeneous may be comfortable in some aspects, if one ends up being content with this condition, it is not possible to achieve an organizational culture that is full of diversity necessary to win over the strict global competition. Under such an awareness, in order to continue expanding as a global company, Astellas Pharma is planning on moving forward with further approaches by aiming to produce female executives that can exhibit leadership, based on strong resolve and preparedness by management.

Corporate Name

Manufacturing

Large enterprise

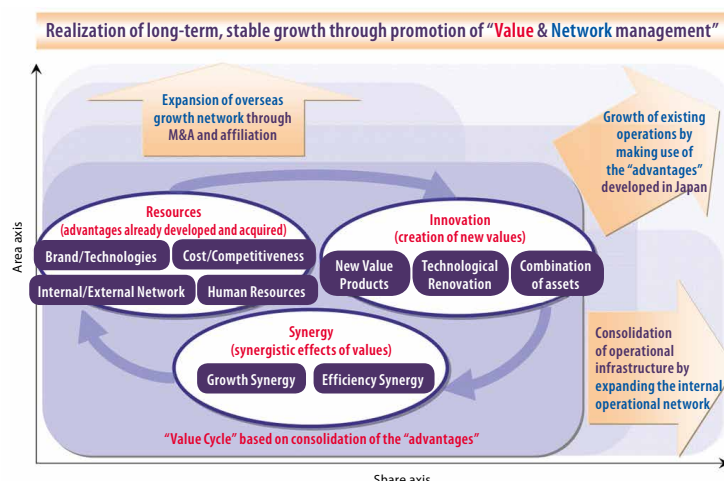
Asahi Breweries, Ltd.

Female marketers were appointed to develop low-price bottled wines targeting the market for female consumers, and succeeded in boosting sales.

Main points

- ▶ The beer manufacturer, whose leadership has always consisted of men, now responds to market needs by promoting diversity management.
- ▶ The marketing department has recruited women to introduce female perspectives and sensibilities for product development.
- ▶ In particular, the low-cost wine for women developed by two working mothers has achieved continuous growth in sales for three years in a row.
- ▶ Projects by various employees – of both sexes, different generations, and various specialties and nationalities – have been carried out in order to promote diversity management.
- ▶ Based on requests born out of these projects, institutional reforms that answer employee needs have been carried out.
- ▶ An environment favorable to diversity management has been facilitated by creating a framework for information-sharing and human interaction.

Asahi Group Holdings medium-term management plan 2015



Data

◎Corporate profile

Year of foundation	1949	Capital	182,531 million yen	*Asahi Group Holdings (consolidated)
Head office address	23-1, Azumabashi 1-chome, Sumida-ku, Tokyo			
Business outline	Manufacturing and sales of alcoholic beverages			
Sales	1,579,076 million yen (to December 2012) *Asahi Group Holdings (consolidated)			

◎Data for employees (unconsolidated)

Number of employees	3,648 persons (including 518 non-regular employees)
Number of employees by attribute category	[Women] 861 persons (including 391 non-regular employees) Women's share of managerial jobs at 4%
Average service years for regular employees	16 years (16 years for men, 15 years for women)

Background and goals of diversity management

Aiming for a new growth out of mono-culture

Against the background of the huge success of “Asahi Super Dry” launched in 1987 and its top share status in Japan as a beer manufacturer, Asahi Breweries was formerly known as a company that became successful by specializing in only one product genre, beer. For this reason, the company fell behind other beer manufacturers not only in diversifying business lines into other products like cocktails, distilled spirit highballs (Chu-hai) and wines, but also in getting into other types of beers like low-malt beer and the so-called “third beer.”

Thus, this dilatory response to the trend of the times called diversification was due to their experience of success in beer marketing, and the male-dominating monoculture established over years of such experience.

To overcome this situation, the company, since the year 2000, has diversified its business by integrating its sales division with Nikka Whisky, transferring the alcohol-related businesses of Asahi Kasei and Kyowa Hakko, and at the same time expanding its product line-up through development of new products.

Such a diversification of product line-up is aimed at not only strengthening products, but also cultivating female markets. Alcoholic beverages used to mean just beer or whisky, and the consumers were mostly men. However, the recent trend is that more and more women are drinking various alcoholic beverages such as wines, cocktails and Chu-hai. To respond to these market changes, it was absolutely necessary for the company to introduce diversity management and promote women.

Diversity management promoted as growth strategy and key issues

At the same time, Asahi Group Holdings is aggressively working on global expansion through purchase of overseas beverage manufacturers. Considering the lagging growth of domestic alcohol consumption, the company recognizes that the key to its growth as an enterprise lies in expanding businesses in overseas markets. As a core company of Asahi Group, Asahi Breweries also aims at global business expansion. Therefore, diversity management, which allows for responding to customers’ diversity, is now a big issue for the entire management.

The medium-term management plan 2015 of Asahi Group Holdings (and hence that of Asahi Breweries) includes a growth strategy called “Value & Network management” that prompts growth by rotating the cycle of three elements: resources, innovation and synergy. As for human resources, they are considered as part of the organization’s resources. Hence, diversifying human resources is the most important issue for improving corporate value.

Specific measures for promoting diversity

Measures for promoting women that have changed the male-dominated corporate culture

In reality, there were various obstacles for promotion of female employees. The biggest of all was the beer industry’s culture based on male leadership.

For example, eating and drinking establishments – their major sales pillar – require night-time operations – a difficult situation for some female operators under time constraints of child-rearing. Also, the sales routes for families and individuals – another sales pillar – used to be mainly through independently-operated liquor stores. They too were immersed in the male-dominated culture that would not accept female sales representatives.

Some changes to this trend started to be seen from the 1990s. The number of supermarkets and convenience stores dealing with alcoholic beverages started to increase, leading to drastic changes in operations for families and individuals. Now, female sales representatives are able to assume their role more easily than before.

On the other hand, the male-dominated culture was also prevalent within the company. It was a big issue for the company to change this trend.

Set off by the introduction of so-called “female comprehensive works” in the early 1990s, the company has been actively recruiting women and allocating them to worksites. To support women in their more active roles, regulations like maternity leave and childcare have been implemented.

The 2000s saw female employees making substantial contributions; products being diversified; and female markets being developed – a creation of elements in the business front line that require the abilities of women. As a result, more and more women were promoted.

Projects to promote diversity management by employees as a major player

These moves prompted more advanced measures for promoting women. A position in charge of “promoting women” was established in the personnel department in 2008. The creation of such a position for promoting women was a message from the management team who promised to promote women as a company, enabling an environment in which measures more focused on women than before can be easily implemented.

In the following year, 2009, a project called “WAVE∞” consisting of 20 employees of both sexes and various ages / specialties / nationalities, was launched. The project team made proposal to the management concerning systematic reforms and environmental changes that could promote diversity management, beginning with the promotion of women. These proposals led to the creation of the “short time working hours system,” “leave system for skill improvements,” and “welcome back system.”

The “short time working hours system” allows for shortening of working hours by up to two hours a day for reasons other than childcare or nursing care (the only reasons that were accepted before), enabling an employee to spend time improving himself (or herself), or preparing for his (or her) second life. The “leave system for skill improvements” allows for a maximum of three years to study abroad or at a graduate school for improving himself (or herself). Moreover, an employee can make use of this system to accompany his or her spouse relocating overseas. The “welcome back system” allows an employee, who retired from the company after three or more consecutive years of working for reasons like marriage, maternity or childcare, to come back to the workplace at any time without an upper age limit, and with the same qualification that he or she had held at the time of retiring.

Other proposals made by the “WAVE∞” project to the management include: the “shortening of total working hours” and “stay-home work” for creation of free time, and the “inspiration school,” “internationalization school,” “portal site supporting growth” and “mentor introduction system” for supporting the growth of each employee, and these have all been realized. Each of these systems provides information for expanding an employee’s experience, and helps him or her meet new people. For example, the “mentor introduction system” introduces an employee to a senior employee who could be his or her role model, enabling him or her to specifically envision his or her future, and learn things required for his or her future career.

Reforming an employee’s mentality for a different corporate culture

Along with these systematic reforms, the company is also trying to create a new corporate culture.

Having good systems does not imply promotion of diversity unless there are changes in the worksite mentality allowing for acceptance of various types of employees including women, and in the employee mentality trying to make use of it in a positive manner.

Therefore, to promote acceptance of diversity in each department, a diversity training course was incorporated into the instruction course for newly appointed line heads (a position equivalent to a department manager). As a result, an environment that accepts and uses diversified human resources including women is now in the process of being created.

As for women’s mentality reform and support for their future career, the “dispatch of selected employees to an outside training course,” “meeting between female line heads,” “female employee interaction (interaction between female line heads and young female employees),” “interactive course for female employees with different specialties” and “working mothers interaction” have been implemented.

Especially notable is the high quality framework in which interactions among women are supported. For more and more women to expand their active roles, interactions with seniors who could be their role models, as well as the advice and encouragement they would get on these occasions, will play an important role. This is part of the “mentor introduction system” proposed by the aforementioned “WAVE∞” project. Therefore, these supporting policies are making a great contribution to the performance of female employees in the company.

Also, the facts that the company’s female turnover dropped from 6% in 2000 to 0.8% in 2012; that the ratio of working mothers among female employees stands at 30%; and that the return ratio from childcare leave is as high as 100%, endorse the effectiveness of these measures.

In addition to the eagerness on the part of women to work and the needs on the part of the enterprise to use women’s abilities, it was also necessary to have these excellent forms of support to expand the roles of women in the company.

Changes in women’s retirement ratio

Year	2000	2008	2012
Turnover (%)	6.0	2.5	0.8

Construction of evaluation systems including evaluation of diversity

The company's employee evaluation includes promotion of diversity in its behavioral assessment. For example, those in the upper class of managerial staff are evaluated according to criteria based on whether or not "he or she fosters a culture that promotes mutual recognition of diversified values, never fails to take up a member's idea that beats a precedent even though it may be something small, and praises him or her for it"; line heads are evaluated as to whether or not "he or she refrains from pushing his or her own ideas on those with a sense of values different from his or hers, or from his or her worksite, listens to other ideas, and leads them toward a goal while recognizing a diversified sense of values"; and those in charge are evaluated as to whether or not "he or she is detached from his or her own way of thinking, ready to absorb a diversified sense of values from a wide range of those around him or her, and takes it into an assignment. The criteria are decided not just for promoting women but for promoting a wide range of diversity, enabling any measures that are effective.

Managerial effects through promotion of diversity

Responding to diversifying markets through promotion of diversity

In the midst of promoting diversity throughout the entire organization, it was the product development by many women in the marketing division that led to distinctive managerial results. The strategy aimed at capturing female tastes – something that was difficult to do by the monocultural product development led by men.

Asahi Breweries is increasing the number of female marketers in the products development division while expanding its product line-up from beer products to wines, cocktails and Chu-hai. The measure is thorough to the point of hardly seeing any woman in the product categories and brands not involved in product development.

A hit wine product planned by working mothers

In the midst of these transitions, the low-cost wine in a PET bottle called "Rela" would draw much attention as one of the most notable success stories. Two female marketers in the midst of child-rearing took the leadership for development of the product.

The development concept was: "a light, casual wine for

the relaxation of a woman busy at work, household chores and child-rearing." In addition to the taste which is a little sweeter than authentic wines and the lightness of a PET bottle container, a half-bottle size is available, allowing women on their way back from work to purchase it without much difficulty – one of the various features crafted from a female point of view.

These product features emerged from the experience and taste of the female developers, creating an echo from the female demographic, and making good sales records.

"Rela" - low-cost wine in a PET bottle



Also, the needs for existing products are diversifying as seen recently in popular beer products with low calories and low purine content. The company succeeded in precisely capturing these market trends by adding female marketers to the development team for products like the new genre "Asahi Off" with zero purines and zero sugar, and a canned Chu-hai "Slat."

For example, in developing "Asahi Off," a package design worked out by a woman, although it received a low score by men in terms of colors (and other elements) fundamental to the package, received the highest possible praise in marketing research, and was reflected in the final design.

These successes by women marked a big step toward developing a female market in addition to the "Super Dry" market dominated by men.

Rela brand Shipping record transitions

2011	2012	2013
140,000 boxes	370,000 boxes	400,000 boxes
(Vs. previous year)	264%	108%

- Accumulated total at the end of December since the release month of May for the numbers in 2011
- Number of units in one box: 720ml X 12 bottles

Asahi Off sales record

2009 Release year	2010	2011	2012	2013
729	717	747	747	725
(Vs. previous year)	98%	104%	100%	97%

- Unit (large bottle conversion): 10,000 boxes

Corporate Name

Manufacturing

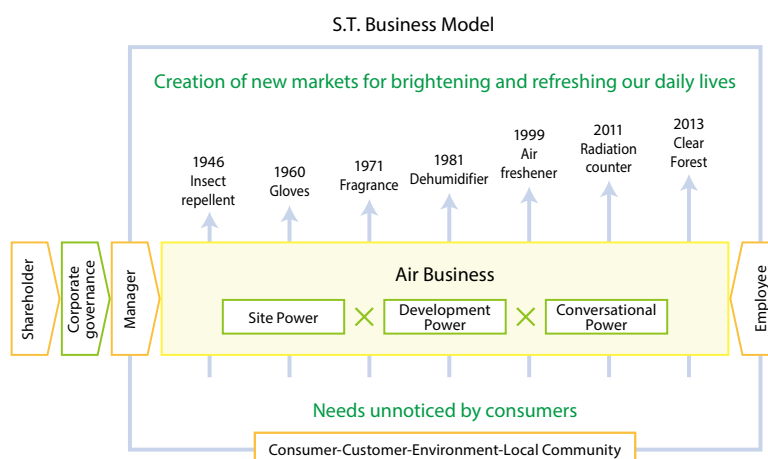
Large enterprise

S.T. Corporation

A female designer was appointed to design air fresheners, titled "Shoshu Riki," developing it into a new mega-brand product.

Main points

- ▶ Traditionally, a typical male-dominated Japanese company, despite its culture allowing for the continuous supply of unique products for daily needs to our society.
- ▶ Full-scale efforts to promote women's active participation, when Mr. Takashi Suzuki – a man with plenty of experience overseas – became President.
- ▶ The President's 2004 declaration of "40% female employees ratio," and affirmative promotion of women for managerial positions.
- ▶ Women designers allowing for flexible introduction of women's perspectives (or those of the major customer segment) into product development and design.
- ▶ A female designer who turned the air freshener "Shoshu Riki" into a megabrand with a sales volume of more than 10 billion yen.
- ▶ The field staff members' daily report system was effectively used by a new female manager in the information system department when she assumed the position, and a system to tally instant data and share things like ideas for planning a sales floor was established.



Data

◎Corporate profile

Year of foundation	1948	Capital	7,065 million yen
Head office address	4-10, Shimo-Ochiai 1-chome, Shinjuku-ku, Tokyo		
Business outline	Manufacturing and selling of air freshener, insect repellent, dehumidifier, gloves, pocket warmer, and such		
Sales	44,658 million yen (to March 2013)		

◎Data for employees (unconsolidated)

Number of employees	486 persons (including 86 non-regular workers)
Number of employees by attribute category	[Women] 153 persons (including 60 non-regular employees) Women's share of managerial jobs at 7.4%
Average service years for regular employees	17.0 years (18.6 years for men, 11.6 years for women)

Background and goals of diversity management

Corporate culture allowing for continuous creation of unique markets while aiming for the No.1 global niche

S.T. Corporation started its business operation after the end of World War II by launching a new insect repellent. In 1960, the company launched home skin-care gloves, followed by an air freshener in 1971, a dehumidifier in 1981, and a product called “Mushu-Da (no smell)” – a product name synonymous with insect repellent – in 1988. The company, ever since its foundation, has been developing unique new products for daily needs and offering new values to the market.

While its goal is to become No.1 globally, S.T. Corporation launched the air freshener “Shoshu Riki” in 2000 – a brand that has now become a 10 billion yen business – and the deodorant “Dattshu-Tan” for deodorizing a refrigerator in the same year, and has been creating new markets one after another, in each of which the company continues to pursue a strategy to capture the No.1 spot. In fact, the company has many product lineups with the world’s top share in a niche market – such as the insect repellent market or dehumidifier market. “Mushu-Da,” “Dattshu-Tan” and “Kome-Tou-Ban” also have the world’s top share.

Necessity of adopting the user’s viewpoint affirmed by the current Chairman, and the transition to promoting women

The company, a daily commodity manufacturer, has users who are mainly women in their 20s to 40s. Nevertheless, ever since its foundation up to the 1990s, it was run by men who were in charge of development and design, and they missed out on the user’s viewpoint. This is because it was a typical male-dominated family company at that time.

It was Mr. Takashi Suzuki – who joined the company as a sales division manager in 1985 at the age of 51 after working for Nippon Life Insurance – who challenged this corporate culture. During his years at Nippon Life Insurance, Mr. Suzuki witnessed the energy created by female insurance sales persons.

After joining the company in 1991, Mr. Suzuki worked for an American subsidiary in red ink from 1991 to 1994, and displayed his competence in reorganizing it. At that time, he learned that there is a so-called “glass ceiling” blocking the advancement of women even in the U.S., a country considered to be an equitable society. Nevertheless, American women were going to overcome the invisible glass ceiling and attain success. Back home in Japan, it was mostly men and hardly ever women who were getting any opportunities.

These experiences convinced him that “opportunities must be given to any good worker, male or female.” So he continued to appeal the necessity of using women in the company by saying “Men’s predominance won’t do. We must give more opportunities to women.” However, the corporate culture was hard to change.

Taking strong leadership to promote women upon becoming President in 1998

The turning point came in 1998 when Mr. Takashi Suzuki became the company’s President at the age of 63. In his inauguration speech, he declared that he would carry out his longtime agenda of “Reforms without sanctuary,” putting up diversity as a personnel strategy that does not question age, sex or nationality. As the new President, he made it clear that he would take the leadership himself for promoting women, as he had been affirming the need for this over the years.

Unfortunately, the company was still an old-fashioned Japanese company whose seniority wall was too thick to break, making it hard for Mr. Suzuki’s diversity to be exercised thoroughly throughout. To break down such resistance, Mr. Suzuki revealed his solid determination and uncompromising attitude while using harsh words from time to time.

Specific measures for promoting diversity

Flattening of corporate structures, and use of a female designer

Undaunted by the seniors’ resistance, Mr. Suzuki promoted women as part of the corporate reforms. In 2001, aspiring to be an organization in which various types of employees can enjoy working regardless of their sex or age, he tried to flatten the corporate structures, practically abolishing the section chief positions and appointing division managers as only managerial staff members.

Furthermore, he recruited female designers in order to reflect new ideas in design without attachment to the conventional sense of values. Even though the company had fallen behind others in the air freshener market, they launched a large-quantity product with the powerful name “Shoshu Riki (refreshing power)” in the spring of 2000. It was the female designers who sustained product development after 2001. In fact, they have been involved in all steps of development and design. And, “Shoshu Riki,” with the occasional release of its seasonal or extra standard products, continues to offer new values, and even after 13 years since its launch continues to increase its sales volume. It has grown to be a megabrand of the company.

The 2004 declaration, “a 40% female employees ratio in 10 years,” and the intentional promotion of women beginning with board positions

In 2004, Mr. Suzuki publicly announced the administrative policy of “a 40% female employees ratio in 10 years” to start strengthening the recruitment of women. The average ratio of female employees in all departments – product development, marketing, sales, manufacturing and management – has reached the almost goal-attaining level of a little more than 37%, thanks to the aggressive recruitment of new female graduates. Moreover, the female turnover ratio, which was 9.0% in 1993 and 13.5% in 1998, fell to 4.5% in 2013, a decrease by half from 20 years ago. As for the average turnover ratio for the entire company, it was 6.1% in 1993 and 3.6% in 2013.

Moreover, based on the expectation that it would be more effective to start reforming the upper level first rather than beginning with the administrative level for changing the company, the company appointed the first female board member (from outside) in 2008. Female appointments continued, and as of 2013, 4 (including 2 from outside) out of 15 board members are women – a share of 26.6% for the female board member ratio. The two full-time female board members are in charge of the business management department and the R & D department respectively. Generally speaking, women, in comparison with men, are more likely to express their opinions clearly and are uncompromising. That is why a board with female members can be more vibrant, allowing for discussions from various perspectives, and for making clear how management should be handled. The effects are now being felt.

In April 2013, Mr. Suzuki became Chairman, and Mrs. Takako Suzuki became the new President – an event that is understood, inside and outside the company, as their willingness to address the promotion of women.

Managerial effects through promotion of diversity

The megabrand “Shoshu Riki” fostered by female designers

Although designed and launched by male employees in 2000, “Shoshu Riki” became a strong-impact product for consumers only after the appointment of a female designer in 2001.

A female employee (recruited in 1998) took charge of designing the “room freshener” series launched in 2001. She developed an asymmetric design by making use of curves – a design never seen before for an air freshener. In addition to its impact, the design also had some softness,

which distinguished the product in air freshener sales spaces and got it accepted by consumers even though it was a latecomer. It became a megabrand thanks to the design.

A male sales representative at that time, who saw the asymmetric container design prior to the launch in 2001, disagreed with it saying that the non-flat top does not allow for flat-piling in sales spaces. However, the development team had already prepared a transparent board to be placed on top of the display products for flat-piling, quashing the opposing opinion, succeeding in launching the product as planned, and making a hit out of it. The success of “Shoshu Riki” was sufficiently great in getting employees to understand that conventional ideas cannot be stretched beyond a certain limit to create new values and expand business. And it became the driving force to promote women from then on.

The company continued to make efforts – like improving the container design, offering a new seasonal fragrance, and so on – to offer new values, and as a result, the product now earns 12 billion yen in sales – 75% sales of the company’s entire air freshener lineups, and becoming a backbone brand equivalent to more than 25% of total sales. One recent

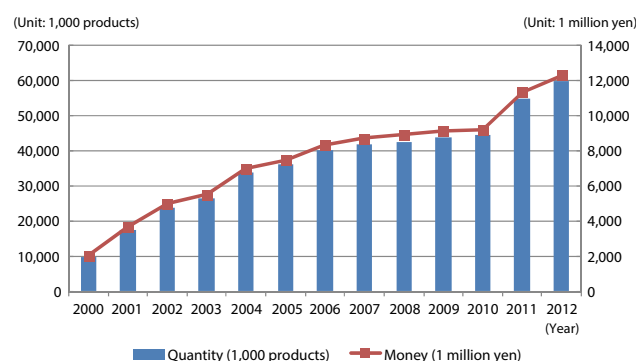
Design of “Room Shoshu Riki” launched in spring 2012



major success is the renewal product “Room Shoshu Riki” launched in the spring of 2012. Usually, the term “fragrance” refers to a flower. In this renewal, however, an emotional value in “fragrance” was staged. While it was common sense in the business field to accentuate floral pictures and designs for a floral fragrance, the female designer (recruited in 2001) completed a design that evokes a spatial image characteristic of the flower by using not the flower itself, but a feeling of entrancement.

The design was well-accepted by consumers, and the “Room Shoshu Riki” has achieved sales of 3 billion

Sales transition of “Shoshu Riki” brand



165 million yen, an 18% increase from the previous year. Thanks to such a big success, there is hardly anyone in the company who opposes the recruitment of women as major operators. Currently, female employees are widely involved in various tasks: development, design and marketing of all other types of products besides “Shoshu Riki.”

A new female manager in the information system department realized the quick start of a new system, and its effects on field staff

A female employee was assigned to the information system department as a new manager in April 2004. Having had a long career in the information system department, the woman had various innovative ideas.

She started to work on changing various systems immediately after her appointment. However, one notable achievement that had already attained a managerial result after a little more than a year was the daily report system for the storefront followup unit “Field Staff” (or FS for short), using a smartphone for the existing daily report system in order to input numbers and reports as data in a timely manner. The female employees in charge of daily business communications with FS are the most familiar with the realities of FS daily operations and their problems. Generally speaking, female employees have strong ties amongst themselves regardless of their worksites, often exchanging tiny details of information with one another. This female manager too had a network with female employees in charge of FS communications, and was well aware of the problems. That is why she wanted to create something that allows for easy gathering of information necessary for the company without much burden on FS. Indeed, she was ready to come up with this idea.

FS members, many of whom are actually housewives who purchase and use household products, are assigned to branch offices throughout Japan, visit retailers in each of their assigned regions on a regular basis, and engage in operations like POP for arrangements and introductions of products on store shelves, making suggestions for mounting a board, and so on. While this has been the company’s unique business model over the past 30-plus years with different members and groups, the fields in which FS is active are now expanding and gaining momentum. In particular, the introduction of this new daily report system allows not only for timely input of data into a report for instantaneous data processing by each office, but also a visual grasp of various ideas from each FS member through attached photos. Moreover, the system allows a good idea to be transferred from one FS member to another, contributing to the improvement of the FS member’s ability to make suggestions.

For example, a certain FS member, after negotiation with her assigned retailer manager for a sales space,

succeeded in transforming a sales space for cleaners in a conspicuous spot of the retailer into a sales space for the seasonal Halloween-limited packages of “Shoshu Riki,” and contributed to the retailer’s sales increase. Therefore, FS members are important company sales operators who can determine the company’s profit. The corporate management would be greatly affected by how they share their daily ingenuities and suggestions amongst themselves.

Also, twice a year, the company honors an FS member who has achieved the best performance in 6 months. In the first half of 2013, an FS member in charge of Shizuoka prefecture was honored for securing conspicuous spaces in retailers for the summer when the need for “Shoshu Riki” attains its peak, and for displaying a huge amount of products. The strategy increased sales volume by 104% before and after, and 114% from the previous year. Especially in the air freshener category – a major product line of the company - the increase was drastic: 117% before and after, and 131% from the previous year. Originally, Shizuoka prefecture used to be a region where the company’s share was rather low compared to other regions. However, the share has increased from the previous period’s 32.3% to this period’s 34.2% thanks to this FS member who never failed to make efforts to strengthen relationships with store managers by closely communicating with them on a regular basis.

Reference information



The packaging design of “Shoshu Riki” changes from one year to another. Photos (from left to right): 2000 design for a bathroom, 2001 design for a room, and 2012 design for a room.



Thanks to an FS member’s negotiation, the sales space for cleaners was transformed into a sales space for Halloween-limited packages of “Shoshu Riki.”

Corporate Name

Manufacturing

Large enterprise

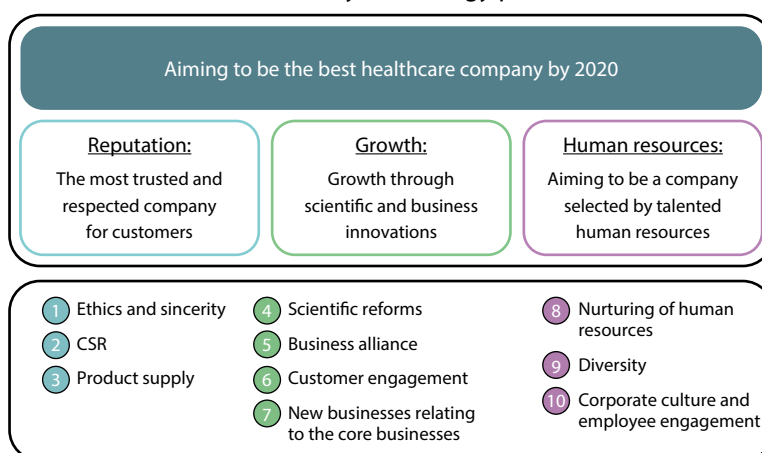
MSD K.K.

Female employees' active leadership successfully led to shortening the period for gaining an authority's drug approval for treating MRSA, as well as carrying out smooth clinical trials for children.

Main points

- ▶ Diversity as part of growth strategy.
- ▶ Promotion through implementation of the special "Diversity & Inclusion Team," and through voluntary study programs by the "Women Leaders Network."
- ▶ Staff review emphasizing a goal attainment level and business contribution, as well as promotion of women through measures like a list-up of female managerial staff candidates in a succession plan.
- ▶ Shortening of the period to develop an MRSA infectious disease therapeutic drug by more than 30% through a female manager's careful and tenacious efforts.
- ▶ Smooth implementation of a difficult clinical test for children through a careful plan crafted by a female leader working short-time because of childrearing.

MSD's 10-year strategy plan



Data

◎Corporate profile

Year of foundation	2010	Capital	26,349 million yen
Head office address	Kitanomaru Square, 13-12, Kudan-Kita 1-chome, Chiyoda-ku, Tokyo		
Business outline	Develop, import, manufacturing and sales of therapeutic medical drugs and therapeutic devices		
Sales	356,092 million yen		

◎Data for employees (unconsolidated)

Number of employees	4,231 persons (including 128 non-regular employees)
Number of employees by attribute category	[Women] 964 (including 53 non-regular employees) Women's share of managerial jobs at 8.3%
Average service years for regular employees	15 years (16 years for men, 12 years for women)

Background and goals of diversity management

Promotion of diversity as part of growth strategy

Born out of a merger between Banyu Pharmaceutical and Schering-Plough Corporation in October 2010, MSD (Merck Sharp and Dohm) is a Japanese arm of the world-famous American pharmaceutical company Merck & Co.

When the managerial team members including the President were discussing their long-term strategies immediately after the company's founding, they included promotion of women as one of their business challenges. The "10-year strategy plan" drawn up in 2011 envisioned "becoming the best healthcare company by 2020," and defined three important categories for its realization: 1. Human resources (aiming to be a company selected by talented human resources); 2. Growth (aiming for growth through science and innovations); and 3. Reputation (aiming to be the most trusted and respected company for customers), and specifically mentioned the term "diversity" in the first category "Human resources." As for the promotion of diversity, it defined two strategic policies: establishment of an environment in which various types of people can fully use their potential, and managerial staff members assuming the responsibility for promotion of diversity. With a strong commitment from the managerial team members including the President, the "10-year strategy plan" was announced to all employees. Efforts have been made for its realization.

Specific measures for promoting diversity

Implementation of the special division, "Diversity & Inclusion Team," for active promotion

For promoting diversity management, the special division, "Diversity & Inclusion Team" (D&I Team for abbreviation), was implemented in the personnel department in October 2010. The D&I Team's main role was to propose frameworks for pleasant working conditions for all employees including women.

MSD's American head office – a global enterprise engaged in actively promoting diversity management by creating specialized officers for diversity called CDO (Chief Diversity Officers) – respects their Japanese subsidiary with

regard to promotion of diversity as one of their business policies of adapting to local situations.

Of all proposals by the D&I Team that were realized, there is a type of employee network activities called "Female Leaders Network (FLN for abbreviation)" launched in August 2011. It aims to support nurturing of female leaders and their careers, and is operated through employees' voluntary participation. Although the company's network activities include those other than FLN's like childrearing & nursing care in addition to volunteering, each is officially recognized by the company, operated on a voluntary, cooperative basis beyond departmental barriers by a group of volunteers sharing common interests and concerns, and supported by managerial staff members as strategic partners. Furthermore, each employee network including FLN is granted a budget, and it is allowed to let members use a part of their working hours for its activities.

At the start of its activities, FLN recruited five women from the managerial staff as core members in order to get things under way. They proposed the FLN vision of "An environment in which anyone can perform his or her best regardless of sex," and urged the managerial staff members of each department to recognize FLN participation by female employees as part of officially assigned tasks, and evaluate them accordingly. Indeed, they took a strong leadership in founding the basis for promoting diversity management. Moreover, these core members took the initiative in creating awareness for female members prior to starting activities: FLN activities are meant not for "just continuing to work," but for "contributing to the company's businesses."

Nurturing female leaders through progress of "Female Leaders Network" activities

A little more than two years since its inception, FLN has, as of December 2013, 58 members in Japan. In addition to 15 female managerial and 41 non-managerial staff members, they include 2 male managerial members. Having a willingness to understand how their female subordinates feel in the work place, these men are very active members.

Moreover, the network was joined by a male operating officer with experience in specialized study of diversity management as an adviser in charge of FLN. He now plays an important role as an advisor for activities as well as an go-between for the managerial team. While receiving his advice, FLN always emphasizes its members' self-initiative.

It has implemented programs for sharing role models and for exchanging opinions among employees, as well as numerous events like seminars and lectures. Most of these events allow for participation by any employees regardless of their age and sex, and there were 16 by December 2013 with 640 overall participants. Especially remarkable among them is the “Self-brand training course” implemented in September 2013 for female employees with 70 participants. Based on the awareness that more women are poor at self-promotion than men, the course was globally developed by the MSD group, letting a female employee check her own strong points and weaknesses for maximization of her abilities. More than 80% of participants felt the course useful for their career development, and 9 of them decided to join FLN.

FLN activities include not only giving support to nurturing of female leaders, but also proposing tips obtained from activities to the management team. For example, it proposed a “milking space” based on the opinions of those who returned from maternity and childrearing. About two months later, the space was implemented at Head Office.

Partly thanks to the series of FLN activities, some participants were promoted to a higher position: two executive board members, three department managers and one department chief. Moreover, the average number of service years have increased, presumably as a result of the new environment in which women can easily continue to work: from 7.32 in 2011 to 8.66 in 2013 for female MR (Medical Representative), and from 8.8 in 2011 to 11.4 in 2013 for female R&D employees at the global R&D Head Office. In addition, the ratio of female department managers also increased from 7.7% in 2011 to 13.6% in 2013.

Promotion of women through measures like personnel evaluation emphasizing a goal-attainment level and business contributions, list-up of female candidates in a succession plan, and so on

In light of the fact that many working mothers select short-time working hours, employees must be evaluated in such a way as to cause no disadvantages to short-time workers. While the evaluation system in which an employee is evaluated in various ways – by superiors, colleagues and other departments – was introduced, each employee is also evaluated according to his or her goal-attainment level and business contributions regardless of his or her length of working hours. Also, an evaluation meeting held by each department must be attended by an officer in charge of

personnel evaluation so that an employee is not degraded because of his or her short working hours. In fact, many short-time workers have received a prize in the company’s honoration system, manifesting their high-performance levels because of the short hours.

Moreover, the D&I team holds a meeting on a timely basis with those who have returned from maternity and childrearing to examine their future career and see whether they really need short-time working hours with attention given to each employee’s situation. Sometimes, considering her career improvement, an employee is brought back to full-time discretionary labor for a challenge. The team is careful in not letting her continue to work with no aim.

Also, as part of the efforts to promote diversity at the managerial level, female candidates are always included in the succession plan (a plan for nurturing successors) of board members drawn up mainly by those in charge of personnel affairs, where three categories of employees are listed: those good enough to become a board member immediately, those who would be good enough in two years, and those within five years. This is due to the President’s order for a company plan to deliberately increase the female ratio in the talent pool.

At the time of its foundation, the company had 3 women among 14 board members. But they were all from the American main office. Currently, there are also 3 female board members, all of whom, however, are Japanese women who were promoted to the post in the past two years, resulting in vital discussions at a board meeting – a true sign that women are being promoted little by little.

Managerial effects through promotion of diversity

The promotion of diversity by the management team as an important business challenge raised the status of female employees throughout the entire organization, creating various opportunities for women to show their capabilities by results through their constant inclusion in board members, managerial positions, and managerial candidates. Here are two managerial results by women.

Smooth implementation of a difficult clinical test for children through a careful plan crafted by a female leader in the midst of childrearing

Thanks to the new personnel evaluation system in which an employee is evaluated according to his or her “goal-attainment level and business contributions” regardless of his or her length of working hours, even short-time employees for childrearing can be promoted to a responsible position in expectation of good results. According to this principle, a female employee who was courageous enough to make a challenge as a project leader despite her short hours, put herself in charge of three employees, and succeeded in smoothly implementing a clinical test in a pharmaceutical project which began in September 2012, and is intended for children aged from 1 to 15.

Although the test was intended for children aged from 1 to 15, its smooth implementation was difficult to achieve due to many restrictions like the one allowing no meal for two hours prior to and one hour after drug intake. Based on her own experience of childrearing, she set up time frames for drug intake and blood samples while giving consideration to children’s eating and living rhythms, and succeeded in creating a realistic test program. Without any enquiries from testing medical organizations, of which there are usually many, blood sampling can now be performed exactly in the regulated time frame for all 87 cases.

Moreover, since the female leader’s department has many short-time employees for child rearing with 209 women among 477 employees or a share of 43.8%, a good mutual support culture has been established. Although even this female leader cannot respond to some needs once in a while due to her short hours, she is able to carry out her projects in close contact with her seniors and team members.

Shortening of the development period for a therapeutic drug against MRSA infection by more than 30% through a female manager’s careful and tenacious efforts

As an example of a successful managerial result by promotion of diversity, there is the development of a therapeutic drug against MRSA (methicillin-resistant *Staphylococcus aureus*) infection. Led by a veteran female manager who presided over the team of 48 members through all steps from application to related regulatory authorities up to receiving their permission, the project took only 11 months to receive permission in July 2011 – a shortening of over 30% from the previously projected 17 months.

Such a drastic shortening is not possible without close cooperation with concerned parties within and outside the company, not to mention among the company’s project members. For the American partner company who did not know anything about “development in Japan,” the female manager made careful and tenacious efforts to explain the approval process in Japan and what kind of data would be needed, taught them how to put together unique Japanese materials, and supported them in every possible way so that the application would go smoothly. In addition, they had to carry out difficult and formidable tasks including information-sharing with the American head office, and the female leader, with her good judgment and leadership based on her long experience and knowledge as a researcher, was able to lead the project team and carry out the tasks efficiently. Moreover, she was able to establish, through close communication, a trusting relationship with medical providers who would practice the treatment and with related regulatory authorities.

For these various types of people to work together, it is necessary to overcome various obstacles such as differences of language, culture and time-zone. In addition to her tenacity, the female manager never failed to meet with concerned parties without considering their situation and way of thinking, thus gaining their trust, and was able to maintain transparency, exchange opinions in a candid manner, and lead the project to a success in such a short period of time.

Reference information



Development of a therapeutic drug against MRSA infection was led by a veteran female manager who presided over a project team of 48 members. The team was able to receive approval in a period of time shorter than that initially expected by more than 30%.

Corporate Name

Manufacturing

Large enterprise

Otsuka Pharmaceutical Co., Ltd.

Female employees were proactively designated as leaders for campaigns and important projects for promoting strategic products, e.g., soy products, and men's and women's cosmetics.

Main points

- ▶ High performance by female leaders who rebuilt the women's cosmetics operations, and led to a sales increase in men's cosmetics operations by 3.7 times in 5 years.
- ▶ Opportunities for both new graduates and mid-career employees – an example: a core new product "SoyCarat" which was developed by a female mid-career employee.
- ▶ A 2-to-1 male-female employment ratio of MR (Medical Representatives), with more and more women continuing to work after marriage and childbirth (the number of women in the midst of child rearing increasing from only 3 in 2007 to 35 in 2013).
- ▶ Managers advocating the "necessity of interaction between heterogeneous things" for creating innovative products ever since the company's start (no such concept like diversity at that time).
- ▶ Five female board members, a high ratio of 11.1% for women's share in the board.
- ▶ A childcare center within the establishment in Tokushima and another one slated to open in Osaka in April 2014, supporting grandparents and parents who are guardians.
- ▶ A project team by women and young employees shortening the period for preparing new drug applications to the Health, Labor and Welfare Ministry: from the previous 2 years to the current 4 months.

Data

◎Corporate profile

Year of foundation	1964	Capital	20,000 million yen
Head office address	2-9, Kanda Tsukasa-machi, Chiyoda-ku, Tokyo		
Business outline	Manufacturing, distributing, exporting, and importing of pharmaceuticals, clinical testing equipment, medical device and equipment, food products, cosmetics, and other related products		
Sales	598,018 million yen (to March 2013)		

◎Data for employees (unconsolidated)

Number of employees	5,652 persons (including 213 non-regular employees)
Number of employees by attribute category	[Women] 1,222 persons (including 21 non-regular employees) Women's share of managerial jobs at 6.7%
Average service years for regular employees	15.8 years for all (17.0 years for men, 11.6 years for women), as of April 2013

Background and goals of diversity management

Creativity originates from interaction between heterogeneous things

Formerly the sales division for products manufactured by Otsuka Pharmaceutical Factory founded in Naruto city of Tokushima prefecture in 1921, Otsuka Pharmaceutical was established in 1964 as a division which became independent. Even though they started as a sales company, they believed that they would not survive without making things by themselves – a belief at the very beginning that has evolved into today's corporate philosophy: "Otsuka-people creating new products for better health worldwide."

Especially important for them is the catchphrase, "Creating new products." Even though no one was aware of any concept like "diversity" in those days, the founding managers believed that "the creativity necessary for manufacturing an innovative product comes from the interactions between heterogeneous things." In fact, they founded their own research institute for therapeutic drugs intended for innovative manufacturing in 1971, seven years after the company's foundation.

Furthermore, they founded the personnel development institute in 1988 – a facility for employee training. In those days, it was plausibly believed that a company wouldn't stay alive after 30 years. However, they believed that the society (or the surrounding environment) would surely change, and hence hoped to become a company that anticipates such changes, and starts dealing with them.

Currently, there are two major pillars for the company's business operations: those related to medical drugs, and those related to "Nutriceuticals." Here, the term "Nutriceuticals" is the company's original expression which combines the two terms: "Nutrition" and "Pharmaceuticals." While the drug-related business is a B to B (business-to-business) operation, the Nutriceuticals-related business is a B to C (business-to-consumers) operation with many famous brands like "Pocarisweat" and "Calorie Mate" on its lineup.

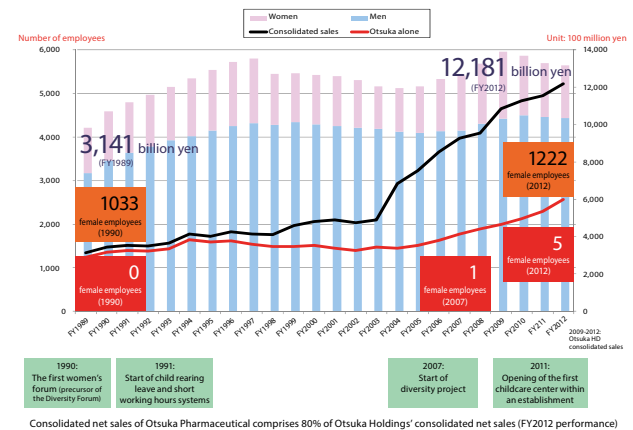
Strategically targeting women for promotion of diversity

Diversity being considered as an important business strategy, the company hires and treats all employees on an equal basis regardless of their age, sex and nationality, or whether an employee is recruited as a new graduate or mid-career. This principle is based on the belief, since the company's foundation, about "interactions between heterogeneous things." Realization of a managerial philosophy would certainly make a company where people want to stay active. However, that would require interactions between different types of people so that the company can grow as a result.

Based on such a belief and considering Japan's situation,

the company decided to target only women for diversity management. They believe that an environment, in which women can enjoy working, would also allow other employees with different ages and nationalities to enjoy working, and hence have made efforts to create such a workplace for women. As a result, more and more women are doing well, and the company continues to grow.

The company's growth and path toward promotion of diversity



Specific measures for promoting diversity

The diversity promotion forum as a driving force

The 1985 Equal Employment Opportunity Act for Men and Women increased the number of women hired as a MR (Medical Representative), where the proportion of male to female recruits is now 2 to 1. Although the company has always been emphasizing the importance of accepting heterogeneous things ever since its foundation, it became especially concerned with diversity management mainly because of the increase of female sales representatives in the 1990s.

Hiring a woman as an MR meant having her own mindset changed – and changing the employer's mindset as well. The company started a female forum for nurturing such a mindset.

They started the diversity promotion project in 2007 in order to promote management based on diversity in a broad sense – not just limited to promotion of women. As the company does their business based on projects, so is diversity promotion one of their projects, with its three members selected across the organization: two from the personnel department, and one from a medication-related operation. These three members, including a female managing officer as leader, are in charge of the project on a dual basis.

The diversity promotion project sponsors forums and events. On each of these occasions, it is not a project member taking the initiative, but a person(s) selected from the department concerned who would be in charge of handling the forum.

Implementation of management training as a prelude to promotion of diversity

As part of the mentality changes for the accepting side, a management training course is held once a year attended by all the managerial staff members. Its content is specific and practical. For example, a question like: "What would you do if one of your subordinates comes to you and says she became pregnant?" is asked, and the attendants' reactions are simulated.

As for the evaluation, even if an employee takes a break for reasons like child rearing, she would not receive any negative evaluations based on her reason of absence. She would be evaluated solely according to her work before and after the break. The managerial staff members make personnel evaluations based on their awareness and understanding of diversity promotion. Even though an employee is on the short-hours working shift, she would be expected to achieve results by concentrating more on her tasks because of the merit-based system. In fact, a good number of competent employees are achieving high productivity with high marks.

The company also has the re-employment system. Basically, with the superior's permission, an ex-employee who retired for reasons like maternity can be rehired. Thus, the company's female employees are supported by well-developed systems during their active career.

Use of women as a project leader

The company uses women for many projects. It is not that they happen to select a woman simply as a result of selecting a competent person, but that they select women proactively. Generally speaking, women tend not to be swayed by the company's internal political dynamics, and have the frankness to express their opinions to their superiors – something expected for the company's business success. For example, a project would be carried out under a system in which the Vice-President has direct control without any managerial staff in-between, enabling swift execution and careful support. Moreover, when a woman is assigned to an important post, she receives full support. First of all, some competent staff members, men or women, would be placed under the promoted woman while the project, if it is under the Vice-President, would be carefully followed up by him.

Instead of leaving everything to her by saying "It's your responsibility" and behaving as if to say "I told you so" in case of a failure, she would be supported by words like "What's going on?" or "Let's try it!" –thoughtful attention leading to success.

Organizing an environment in which both men and women can continue to work while engaged in child rearing

The company has a childcare center within a business establishment. Currently, there is only one such facility, in Tokushima city of Tokushima prefecture. Another one will

be opened in Osaka in April 2014. The third one is planned for an overseas business branch in Asia. An internal childcare center was introduced not just for mothers but also for grandparents and fathers. While the childcare leave system is for both men and women, the company wants it to be used by more male employees in the future, and plans to make more efforts for men's awareness training.

Managerial effects through promotion of diversity

A female employee, with success in establishing a new business model in cosmetics operations, becoming an executive officer at the age of 36 – the youngest promotion ever among all female employees

One of the most prominent managerial effects of promoting women was the performance of a female employee who became the youngest female executive officer at the age of 36. Recruited in mid-career for a secretary's position, she had become the President's secretary. She was transferred from the secretary's position to a business division, and became an executive officer at the age of 38 in 2012.

At that time, the company was in the business of manufacturing and selling a cosmetic product called "Inner Signal." The business operations led by male officers were conducted according to a major cosmetic manufacturer's business model: setting up sales spaces at department stores, and letting beauty experts handle customers for sales. However, head-on collisions with major cosmetic makers didn't result in any success. So, they had to pull out from sales operations at department stores, leading to the appointment of the afore-mentioned female employee for operations to set up a new sales method, and started to sell their product on the Internet based on her idea. Indeed, the Internet provides a huge amount of information to consumers, thus allowing them to know more about the product's quality, and hence leading to the business improvement.

Moreover, in these business operations, there was a shortage of products for men aged 30 to 50 while the cosmetics market for women was saturated. So, a new cosmetics brand for men called "UL-OS" was developed, and the launch was attended by her from day one. Since "men's evaluation" tends to be loose for cosmetics, she pursued what would be needed for men's cosmetics based on a "woman's demanding evaluation." For example, the company sells a one-stop product for all skin care treatments, in view of the fact that users don't like too much bother. As the project leader, she started to pioneer the men's cosmetics market – still in process of formation at that time – little by little, eventually leading to a 3.7 times sales increase from launch.

She put together the "Inner Signal" operation, which was on the brink of withdrawal and had been resurrected

on the Internet, and pioneered a new market for “UL-OS.” Based on these achievements, she was promoted to the position of an executive officer. In addition to this woman, the company also promotes women for managerial and executive positions, resulting in the women’s share of managerial ranks reaching 6.7%. As for executive ranks, the women’s share among all executive officers stands at 11.1%, a ratio better than that of managerial officers.

Men’s cosmetic “UL-OS” (left), and women’s cosmetic “Inner Signal” (right) whose sales on the Internet increased dramatically.



A female researcher developed a new product, “SoyCarat,” using soybeans

Believing that soybeans are the solution to health and environment problems on the earth, the company is also working on a development project using soybeans, with a theme called “Soylution.” Also led by a woman as a marketing-related leader, the project team, together with nutritionists, is making efforts to communicate the benefits of soybeans to all people throughout the nation. The product “SoyCarat” born out of the “Soylution” project was developed by a female researcher recruited in mid-career. As the company needs research to create a “non-imitative” product that can pioneer a new market, she moved from another department to engage in research and development in order to improve diversity in the research division, and produce creative products.

Although it is a snack, the product uses soybeans as its main ingredient. Since its launch in April 2012 at retailers throughout the nation, it has been accepted as a reliable snack by housewives with children because of the protein content of soybeans. When shaken, it makes a noise that sounds like “caracara,” sending a “joyful feeling” to your mind which never happened with any other snacks up to then. In fact, soon after the launch, the product got the top spot in the bean snack sales ranking (according to Nikkei POS), and ran out of stock. It was also taken up by magazines like *Shukan Josei* (a woman’s magazine) and “SAPIO,” and by newspapers like Asahi.

“Soylution” products including “SoyCarat” developed by a female researcher recruited in mid-career
From left: Soy Joy, SOYSH, and SoyCarat



Increase of female MR overturning the industry’s common sense of values

A female MR does not stay long in the pharmaceutical sector – a problem for the entire sector. Since the company had a male-female ratio of 2 to 1 at the time of recruitment, it was a big loss for them to have so many human resources they nurtured leaving the company, considering the cost of nurturing them. Therefore, it was important to improve the female MR retention rate.

At Otsuka Pharmaceutical, the number of women in leadership class balancing their work with child rearing is on the rise. There was an educational effort behind the increase of female MRs. When MRs were asked questions or interviewed in 2006, it was found out that many female MRs regarded their job as something they would “quit after marriage or pregnancy.” While the company had various systems for supporting working women, they were not well known, since few people would go through all the details of work regulations. So, the company created a website allowing them to check each one of these systems.

MRs work as a team. With its leader at the center, both male and female MRs are encouraged to adopt an active way of working, making efforts to change their mentality by, for example, participating in a training course. As a result, many of them now think that “it is ideal to continue working in the company even after marriage or childbirth while raising a child properly.” Supporting such an improvement, it is a fact that many researchers and MRs are specialty-oriented since their work is highly specialized, leading to the motivation for continuing to work once the environment is set up.

The reason why more and more female MRs continue to work after marriage or childbirth is because of such efforts. In fact, while there were only 4 married individuals and 3 mothers among female MRs in 2007, 59 of them were married and 35 had children in 2013 – a drastic increase.

Shortening of the application period for new drugs by a female leader’s efforts

A female leader’s efforts have fast-tracked applications for new drug approval. In the past, it sometimes took two years before submitting such applications to the Health, Labor, and Welfare Ministry. It was first shortened to 6 months, then to a mere 4 months in the end – a marvelous achievement considering that even manufacturers in Europe and the U.S., known for their emphasis on speed, need at least a year to get such approval.

The procedure was to generate documents in tandem with exhaustive discussions over boundaries between departments, not in the conventional way of having each department create each set of application documents through various steps, but having each individual take responsibilities. Such a fast procedure was made possible by the innovative ideas and actions of the female leader and other young members.

Corporate Name

Manufacturing

Large enterprise

Toppan Printing Co., Ltd.

Female employees' fresh ideas brought out innovative food packages, which helped the company tow the market.

Main points

- ▶ Further efforts for diversity for dealing with changing markets.
- ▶ Starting with teams consisting of only women for their active roles.
- ▶ Women-only leader training courses for designing their own careers.
- ▶ More than 20% decrease of average overtime hours in 5 years.
- ▶ 25 times increase of the female manager ratio in 9 years.
- ▶ Establishment of a system allowing for working until 65 upon request.
- ▶ A product mainly developed by women becoming a huge hit.
- ▶ Enhancing an employee's ability with emphasis on his or her individual skills regardless of sex.

Data

◎Corporate profile

Year of foundation	1900	Capital	104,986 million yen
Head office address	1-banchi, Kandaizumi-cho, Chiyoda-ku, Tokyo		
Business outline	Securities printing, commercial printing, publications printing, packaging production, color filter production for LCD, photomasks for semiconductors, solar cell backsheets, interior décor materials		
Sales	819,968 million yen (to March 2013)		

◎Data for employees (unconsolidated)

Number of employees	9,423 persons (including 703 non-regular employees)
Number of employees by attribute category	[Women] 1,713 persons (including 493 non-regular employees) Women's share of managerial jobs at 2.5%
Average service years for regular employees	15 years for men, 9.6 years for women

Background and goals of diversity management

Solutions from various viewpoints

In the midst of rapidly changing markets and diversifying consumer needs, a total solution for solving problems as well as for answering client company needs is so much in demand. Hence, the company has made more efforts for promotion of diversity.

For example, not just men's viewpoints but also women's viewpoints as ordinary citizens would be necessary to propose a solution to the living environment—a reaffirmation of the importance of diversity. It should be also noted that the company had been offering many solutions from women's viewpoints.

Delivered by top management to all employees for a breakaway from male-dominated culture

Without any ideas from diverse human resources in charge of creating new business, it would be impossible to deal with the rapidly changing business environment such as the shrinking paper media market, and with various customer needs in a wide range of businesses. In accordance with this belief, top management delivers messages to all employees concerning the importance of diversity.

Under the banner of "Respect for Human Diversity," the company enacted "TOPPAN VISION 21" in 2000, and has been strengthening policies to allow an individual to display his or her diverse abilities. As the leading company in the printing industry characterized by male-centeredness and internal demands, they aim to solve social problems and create new values by aggressively integrating diverse human resources and various existing values, and by bringing out the printing industry's huge potential.

Specific measures for promoting diversity

Teams consisting only of women, and review of the human resources development system

The company organized four teams consisting only of women in 2006. Although the teams tried to have a product developed only by women in the beginning in 2006, they now include men since it was necessary to integrate

diverse perspectives, and place the right person with the required skills and abilities in the right spot. Specifically, the "L navi-team" that consisted only of women and was launched to propose ideas for a food or toiletry package, has evolved into the current "Working Woman Project" in which men also participate.

Based on diverse perspectives from both men and women, and with emphasis on nurturing profession-conscious workers, the company has drastically changed the human resources development system in the past several years in order to cope with even greater needs. Currently, various training courses such as a comprehensive basic education or a selective/selected course in addition to OJT (on-the-job training) and stratified training by "brothers and sisters" are now offered to any new recruit regardless of sex so that he or she can be a real professional in three years.

Training courses that also teach technicalities and perspectives on how to put ideas into a business as a young entrepreneur are intensively conducted. Also, there is a course that aims at prompting an employee to shift his or her mindset for focusing on how to start a new business and offer customers extra values. The course is attended by many young employees. The company's education for young employees, which has been mainly OJT, is now combined with OFF-JT, efficiently nurturing human resources.

Women-only leader training courses for designing their own careers

The company also offers some leader training courses only for women. The "Female Networking Program" launched in FY2011 aims for an employee's own growth by expanding networks among employees.

Furthermore, they also offer the course, "Career design for female employees," in which a participant can establish her own sense of values – an axis for making selections based on her own personality – amid diverse life and working styles. The course allows each participant to recapture the meaning of her working career, and clarify her approach toward future work so that she becomes aware of the next step in her career path (i.e., a managerial position).

Efforts to maintain an employee's motivation while on parental leave or in the midst of child rearing

The company offers an "Art Salon for Nurturing" – a course for employees in the midst of child rearing together with their children – throughout Japan. This is a program of

creative activities involving clinical know-how, information exchange among participants, and information services from the company. While it helps nurture an “enriched sensibility” between parent and child, it also helps nurture “ties and communications” among those anticipating their return and with the company. In other words, it supports enriched child-rearing, and the employees’ return.

The company nurtures female employees on a systematic and continuous basis with an eye on their promotion to a managerial position, and setting up a performance goal for each individual. Although a female employee anticipates lifetime events such as maternity and child rearing, the company does not accept downgrading of the performance goal for such a reason.

The company makes use of its human resources so that they can continue their career while balancing work and child rearing. For example, even though an employee has selected short-time work because of child rearing, her career won’t be interrupted thanks to measures like flexible work assignment, close checking and support of work progress by those around her, and so on.

If an employee selects short-time work because of child rearing, she becomes aware of achieving her goal in a limited time frame. As a result, there are many such employees who find creative ways to perform high quality work.

Also, the company has systems like modified working hours, and re-employment of those who retired for maternity – an environment in which an employee can continue to work without difficulty.

More than 20% decrease of average overtime hours in 5 years

The long working hours characteristic of the printing industry has been a big problem for women’s success. The company has discussed and introduced shortening of overtime hours and a new working system through periodic talks between management and labor beginning with the committee for promotion of “job satisfaction.” With management of working hours defined as the responsibility of superiors such as an administrator or supervisor, the entire organization, including those in managerial positions, made efforts to reduce the number of long-hour workers. As a result, the number of such workers in FY2012 decreased to 1/20 of the number in FY2007 (before the efforts had started), and average overtime hours decreased by more than 20% during the

same period.

Also, a new discretionary working regulation was introduced for those in planning and sales, leading to a system in which an employee can have his or her own time by working efficiently.

25 time increase of female manager ratio in 9 years

The company promotes a positive action plan in order to allow their human resources with diverse personalities to display their full potential. In other words, it promotes women to managerial positions (administrators and supervisors) based on their ability and willingness on a continuous basis, and makes efforts to create a good environment. The length of service in the past 5 years shows a decrease of 0.3 year for men, and an increase of 0.6% for women.

The promotion of diversity started with “TOPPAN VISION 21” launched in 2000 in a top-down manner. Ten years later, the number of female managers increased from 2 in 2004 to 47 in 2013, an increase of 23.5 times. While the female managerial ratio (women’s share of the entire management) was only 0.1% in 2004, it became 2.5% in 2013, an increase of 25 times.

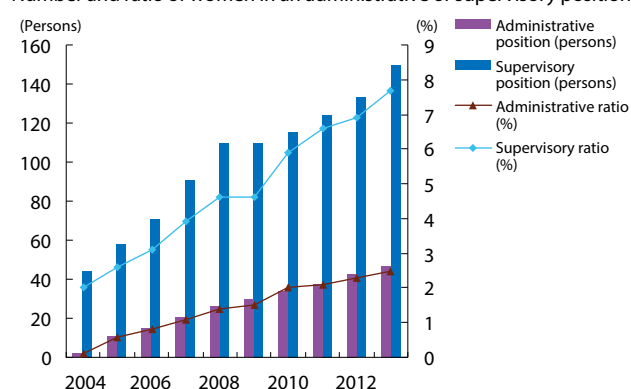
Among the 47 women in a managerial position of section chief or higher, six of them are department managers. There are also many female managerial workers with children, and 150 chief-level female supervisory workers considered as candidates for managerial positions.

As for recruitment, the female ratio has increased to 35% of the total in 2013 from 17.7% in 2006.

Average service years

FY	Total	Women	Men
2008	14.7	9.0	15.3
2009	13.6	8.5	14.4
2010	13.6	8.7	14.4
2011	14.1	9.2	14.9
2012	14.3	9.6	15.0

Number and ratio of women in an administrative or supervisory position



Managerial effects through promotion of diversity

The huge success of Marumiya Corporation's "Tenoritama" developed mainly by women in a joint project

Many people still remember eating rice with Furikake (or seasoned grains) called "Noritama" when they were children. But they have much less opportunities to taste it when they become adults. At the request of Marumiya Corporation who wanted to win back the generations of consumers who no longer eat Furikake (those – especially women – in their late teens to early twenties), the food product "Tenoritama" was born. With ideas like "easy carry with a bag lunch" and "more fun than an individual package," while making use of the company's packaging technologies, a portable Furikake container was jointly developed by the two companies.

It was a team that spun off from the "L navi-team" mentioned earlier, that developed the product "Tenoritama" from a female perspective, which was launched in February 2007. Two years after the launch, the product realized yearly sales of 2.5 million as of 2009. Along with "Tenoritama" as a driving force, the staple product "Noritama" also marked rapid growth of 13% in 2007. Through TV commercials, Internet advertisements and word-of-mouth information from blogs, the product found its sales roots – particularly at convenient stores – widening customer segments, and resulting in a total sales increase.

The huge success of "Tenoritama" prompted other products to gain a further share of the market. Indeed, the product reactivated the stagnant Furikake market. The "Tenoritama" co-development strengthened the two-company partnership, leading to the next joint product, "Nokkeru Furikake," that received the technological merit prize of the food industry.

Portable Furikake container "Tenoritama" (center front), and the series



Establishment of "Working Woman Project"

The company established a "Working Woman Project" with a focus on women. Through analysis of "changes in women's mindsets and ways of living," and based on the experience of developing product concepts and packages, the project forecasts people's future needs for continuous development of new products and services toward solving the problems of working women.

A female employee's success as a group company's board member

For active use of diverse human resources and ideas, the company are making efforts to take advantage of an individual's willingness and abilities, as seen in the "job posting system" aiming to discover human resources for new business, and also in the "in-house venture system" supporting start-up businesses.

Set off by the cross-industrial exchange project for the creation of new businesses as its theme in 2002, a female employee started "Toppan Mind Wellness." This was meant to be a mental health company in the beginning. However, after extensive hands-on experience, she came to believe that what is needed for motivating individuals and an organization is communication between seniors and subordinates. So she shifted the business type to organizational development. Her company started to develop its own programs by using American know-how, has become a company involved in numerous outside training, and has been extending profits. This year, marking the 10th anniversary of its foundation, the former female employee who started the business is now in charge of the company's management as CEO, and busy with diverse activities like making speeches in and out of the company, and writing articles.

Corporate Name

Manufacturing

Large enterprise

Toppan Forms Co., Ltd.

Research and development based on women's standpoints made smash hits of new products, e.g., wrapping films and direct-mail envelopes.

Main points

- ▶ Initiating the promotion of diversity and inclusion through a strong top-down approach by the company president. A new attempt to attain the company's most precious objective.
- ▶ Fulfilling corporate social responsibilities while simultaneously realizing the pursuit of company profits.
- ▶ Continuous implementation of an in-depth training program for women geared to senior staff members, and the successive, continuous creation of female management positions.
- ▶ Implementation of flexible working methods, based on measures, such as the "career return system."
- ▶ Sales contribution as a result of the development of an original wrapping film, called "*Ichigo Ichie*", capitalizing on the viewpoint of women as consumers.
- ▶ Capitalizing on the attitudes of women for product development as they are receptive to consumers and manufacturers.

Data

◎Corporate profile

Year of foundation	1955	Capital	11,750 million yen
Head office address	1-7-3, Higashi Shimbashi, Minato-ku, Tokyo		
Business outline	Information solutions business (business forms printing, data printing services, BPO, ICT)		
Sales	211,613 million yen		

◎Data for employees (unconsolidated)

Number of employees	1,915 persons (including 137 non-regular employees)
Number of employees by attribute category	[Women] 358 persons (including 20 non-regular employees) Women's share of managerial jobs at 4.1%
Average service years for regular employees	17.6 years (19 years for men, 11.2 years for women)

Background and goals of diversity management

Initiating the promotion of diversity through a strong top-down message from the company president

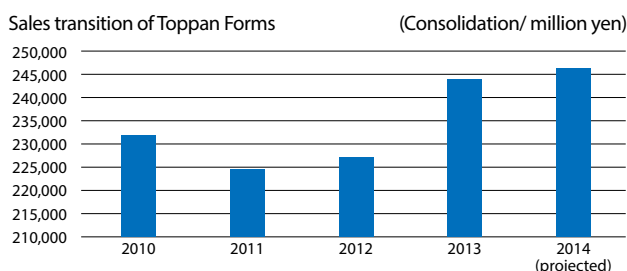
Through its success in the printing of business forms, such as invoices and ledger sheets, and thanks to its base of cultivated technology and knowhow, Toppan Forms has grown into a company that focuses on the information solution business. It is developing various products that optimize information transfer for customers. This includes the integration of printed matter and electronic documents; information media such as IC card (cards that can record information by embedding an IC chip into a plastic card such as bank cards and electronic money); RFID (Radio Frequency Identification: a system that manages and identifies people or things through a microscopic, wireless chip); and product development applying printed electronics technology.

The clear positioning of “diversity promotion” as a high priority management challenge started in the year 2011. A strong top-down message was dispatched aiming for a consistent understanding between the company president and the management class below. In addition, “diversity and inclusion” were incorporated into the staff department’s business plan. A promotion team was formed, headed by the company’s senior management. Finally, the company drew attention to the internal announcement by featuring these activities in the company newsletter.

Diversified human resources management geared towards developing new business

The reason for engaging in “diversity and inclusion” is the necessity of a human resources strategy that takes account of the declining birth rate, and a growing proportion of elderly people in the population. The company concluded therefore that there would be no company growth as long as the company kept focusing on men.

Expenses related to diversified human resources management, focusing on women, should be recognized as an investment and not as a cost. In order to shift from printing to information solutions within a declining market—the printing of vouchers that is the company’s main business—the development of new services is needed, based on diversified human resources management. The company concluded that it was necessary to increase labour productivity based on diversified human resources management that puts the right person in the right place. The results of this effort have already become apparent.



“Change the climate of a male-dominated society!,” a fresh attempt to attain the company’s most precious objective

As a matter of fact, the “promotion of diversity” had already been attempted once in this company, and came to a standstill. In 2007, the company took up the promotion of “work-life balance” as requested by the nation. As a necessary initiative for this objective, the company started promoting the active participation of women. However, after 2 years they stopped this, as it was difficult to put a “woman” directly in a job. Subsequently, the company started focusing on a mentality shift, which the company called “employee satisfaction.” However, because the activities did not clearly demonstrate the purpose of women’s active participation, the number of candidates for women management positions did not rise, and there was no visible outcome. The first time that women were appointed to management positions in this company was in 2001, and the number of management positions occupied by women gradually increased. However, at that time, only 9 women were in management positions (3 heads of department and 6 section managers). Moreover, in 2010, most of them did not have any subordinates. The printing business is male-dominated, with the female proportion of workers being on average approximately 10 percent. Even when the company proactively supported the promotion of active participation by women, there were only 358 women amongst a total number of 1,915 employees, not even 20 percent.

By making “diversity and inclusion” a high priority management challenge in 2011, the company wanted to achieve success by trying it again.

Specific measures for promoting diversity

Implementation of women’s training with a well-defined aim and target

The outcome of a survey that was held among women in 2011 showed that, to the question “Do you want to hold a management position?,” more than half of the respondents answered “I want to hold a management position, but I am not confident to do so because I lack knowledge and experience,” and “I don’t know because there are no role models around.” The diversity promotion team considered this an indication of the fact that women do not feel confident.

Taking into account the lessons of 2007, education and training became an important target in 2011 for the promotion of diversity and inclusion. Supporting the aim of “education geared at management positions for women who are able to become managers both in name and reality,” the company implemented “education and training for a class of women’s management positions,” geared at female employees with an ambition to lead a team. More specifically, the company refined the criteria for management positions and, based on this, the company adopted a system by which management candidates can openly receive qualifications after passing a test and be appointed to a management position. Concretely, the company organized 11 days of training in one year for 12 female senior staff members with the ambition to lead a team.

The implementation of this policy, including the training of higher management, has given rise to more female managers

At the same time, the company also implemented a training program aimed at the promotion of women's active participation, geared towards the superiors of the trainees. In addition, at the time of appointment, the company carefully considered the posts. For instance, for operations outside the office, women were hesitating, since the idea that "working until late at night is natural" was taken for granted throughout the whole industry. On the other hand, in research and development, a company that employs only a few women has examples of women with continuous service and active participation. Moreover, in research and development, there is more discretion towards business promotion and it is easier for women to participate actively. As a result, the company started to appoint women within the research and development department.

In 2013, the first generation of female trainees of 2011 adopted management positions. Among the 12 trainees from 2011, 6 were finally appointed to a management position through which the number of women in management positions increased to 24 (5 heads of department and 19 section managers). For the first generation, many were supported in their appointment by means of "a strong recommendation by the superior." However, as of the second generation, an increasing number of women adopted management positions based on their own initiative. In 2013, the third generation had many more members following the fact that these women were able to dispel their hesitations and anxieties by listening to the experience of the first generation about attaining a management position. As a result there were less and less women who hesitated.

Among these women, there were also some who were promoted while raising their children and working in part-time schedules. As a result, the ratio of women in the management class has increased by 0.8 percentage points compared to last year. By taking women as department heads and line heads, the diverse opinions of female employees are increasingly being reflected. In the near future, the company also wants to appoint women to management positions regardless of division.

Toppan Forms women's management percentage

	Total	Women
General managers	33	0
Heads of department	211	5
Section managers	362	19

Implementation of flexible working methods based on measures such as the "career return system"

To build a foundation for the promotion of women, this company is increasing the options for flexible working methods.

For example, there is the "career return system." This system started in April 2007 and gives company employees who previously left the company for various personal reasons, such as childbirth, childcare and nursing, school attendance, career enhancement through a change of occupation, marriage, and the job transfer of one's spouse, a chance to re-enter the company. Men can also use it.

When re-entering the company, the personnel department conducts an interview and assesses the person's skills. Both parties verify together if there is a match for re-employment.

When both parties reach agreement, the person him (her) self can choose to work as a part-time employee or as a regular employee after his (her) comeback. In case he (she) comes back as a regular employee, there is also an option whereby he (she) works brief hours only. In case of a person who was in a management position at the time of his (her) resignation, he (she) is first re-employed as a general (common) company employee. The person is evaluated again within a specific period of time after joining the company.

Fundamentally, the company thinks that the strength of company employees who have come back after acquiring diverse experience outside the company, will contribute to the development of the company. At present, several people who left the company due to a job transfer of their spouse have already used the system. It has now become an institutionalized system that covers various reasons, and has no restrictions regarding the length of the interval of leaving one's job. The company expects that it will play an important role in promoting the active participation of a diversified personnel base henceforward.

The aim to promote diversity by improving knowledge, and the evaluation of human resources

By being committed to promote the active participation of women, results can really be felt from the management class to operational employees. A big success was the fact that the PDCA cycle was properly executed through listening to employees' opinions about how to accept the initiative, and grasping it. While listening to employees' opinions during the "C" step, the company received the support of the labor unions. By performing the "C" step among labor and management, unity was reached with the work floor and the initiative was realized.

While promoting diversity and inclusion, evaluators were also trained. When evaluating business performance, the company thinks there are 3 important components: transparency, fairness and consent. In this company, assessment for managerial positions takes place by evaluating results against working time. This is prescribed in the employee performance evaluation guide (the basis of employee performance evaluation) - a manual that is distributed among all managers who are also evaluators. Because it isn't easy to establish specific indicators to evaluate the results of a company member versus his (her) working time, quantitative targets were established for business management. It is often the case that brief working hours lead to good results.

Managerial effects through promotion of diversity

Sales contribution as a result of development of an original wrapping film, called "Ichigo Ichie," capitalizing on the viewpoint of women as consumers

From the time it was established in 1955, the research and development department of this company has employed female science university graduates. Because this business requires a high degree of specialization, the continuous service and number of years of women was already long. Moreover, high performance was demonstrated. Based on the promotion of diversity from 2011 onwards, the appointment

Successful product developed by the women's team "vegetable and fruit" film ("Ichigo Ichie") Picture on the right: Christmas version



of even more women has gone forward.

Within the research and development department, a number of successful products defying conventional wisdom were born. The film that is put on strawberry packs, a film for fruits and vegetables ("Ichigo Ichie"), was commercialized. As a company whose mainstream business was the printing of paper media, the company had no experience in printing variable data on film (printing different information on each individual sheet).

In 2007, three women from the research and development department were appointed to the new product development team. Among them is a woman who came back after giving birth and works shorter hours. The reason for appointing them is that men have a strong attachment to paper printing, and are not very good at flexible thinking.

If the film is transparent, the product (in this case strawberries) can be seen clearly. If it also contains product information - consumers can buy it with peace of mind. This way of thinking, i.e., thinking of women as ordinary citizens who buy fresh things every day, helped this company overcome an unprecedented challenge. The male employees of the company did not come up with the idea of directly printing traceability information, such as the area of origin and the manufacturer, on a wrapping film for vegetables and fruits. Attention was also paid to the attractiveness of the packaging, and during the Christmas season, a transparent film containing a brightly colored Christmas tree was created.

The company developed this product from scratch, and since it was totally new, they offered it free of charge in the first year. However, thereafter the turnover was favorable. The company started with annual sales of 1.7 million yen for a vegetable and fruit film. And in the fifth year, this reached 30 million yen.

Vegetable and fruit film sales quantity and sales trend

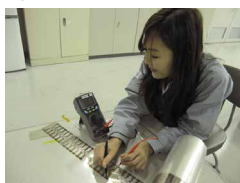
FY	Sales quantity (per 1000 sheets)	Sales amount (1000 yen)
2008	500	1,708
2009	5,804	17,841
2010	11,402	29,583
2011	10,028	28,780
2012	10,646	30,129

Applying women's attitude of being receptive to people's opinions to process innovation

Product development by female staff members started by giving a name to the product development project team. The team's name was "Ichigo Ichie," and it was also registered as a trademark. From the start, female staff members exchanged their opinions freely and openly: "How about this?" "That's good!"

For commercialization, the company needed to overcome the hurdle of not knowing how to print on film, so internal

Picture on the left: female company employees wearing work clothes during their research and development
Right picture: cutter



Toppan Forms Co., Ltd.

cooperation was needed. The women's team first went to the company's production plant, and started by listening to the people on the work floor. The factory floor people responded by asking if there was really a need and if this would really sell? The women responded politely and they received cooperation.

They also asked for the opinions both of farmers, who would actually use the film, and consumers, who would buy the strawberries. When visiting the farmers, they did not wear suits and high heels, but instead they wore work clothes. This broke the ice and the farmers were ready to give them a lot of information. After learning from both manufacturers and consumers how the vegetable and fruit film could solve their worries and problem points, they ventured into its commercialization.

Another important aspect was that a cutting knife (an easy-to-use cutting knife made from cardboard to cut the vegetable and fruit film) was also introduced. When visiting the site, it was noticed that labor efficiency decreased during extremely busy periods of strawberry production since there was a huge shortage of cutters for the strawberry film among the workers.

This all resulted in manufacturing a finished product that was carefully considered from the viewpoint of users, consumers and producers. The design of the packaging film was made attractive, and hence likable. The surface of the film contained printed information about the area of origin, and tools were developed for farmers to optimize the packaging.

Acquisition of customers' and external evaluation through the development of Pockelet Mail

There is one more example of an original product development in this company incorporating women's viewpoint, namely Pockelet Mail. This is a direct mail item incorporated in a film pocket that holds a cosmetic sample or a specimen. Until now, enclosing a sample in a direct mail item was very difficult. The dilemma was as follows: when a pamphlet and a specimen are enclosed separately, only the specimen is taken out and the pamphlet is not read. When the pamphlet is stuck on the specimen with glue, the pamphlet is torn when taking it apart, and again it is not read.

In order to respond to the theme of customer enterprise, a female responsible was put in charge of the planning and development of a new product to address this problem. A construction was adopted whereby the pamphlet could be read instantly by opening the seal along a line to cut. She came up with an attached film pocket; by inserting the sample into the pocket, it was possible to take it out without having to remove the glue.

Based on direct mailing (DM) of the Pockelet Mail it was discovered that consumers liked the attractiveness of the product through the pamphlet, and since they were able to use the sample, the sense of utility increased. After launching the DM created by Pockelet Mail, the response percentage increased by 20 percent, which was also related to an elevation of the order percentage. The product was also evaluated externally, and won the bronze prize in the DM big prizes of 2011.

Pockelet Mail equipped with a film pocket



Corporate Name

Manufacturing

Large enterprise

Fujitsu Limited

Female employees contrived a design of a laptop computer targeting female users, tilted "Floral Kiss," succeeding in creating a differentiated product and contributing to an increase in profits.

Main points

- ▶ Global expansion raised awareness of the necessity for greater diversity, which is expressed in the corporate values of the *Fujitsu Way*.
- ▶ Established the Diversity Promotion Office, an organization under the direct control of the Vice-President. Along with a commitment from top management, diversity is promoted step-by-step based on three-year plans.
- ▶ A working group made up of women with no experience in product development was tasked with developing a PC for women.
- ▶ Winning more brand-based demand results in products less susceptible to price collapses, helps break from price competition, and improves profitability.
- ▶ In addition to PC main units, also developing a PC accessory business.
- ▶ Realized process innovation for product planning that takes into consideration customer segment lifestyles and even their worldviews.
- ▶ Conducting training to develop female managers that involves executives, making in-house adjustments led by executives and managers, and taking other steps to create a workplace environment where female employees can actively participate.

Data

◎Corporate profile

Year of foundation	1935	Capital	324,625 million yen
Head office address	Shiodome City Center, 1-5-2 Higashi-Shimbashi, Minato-ku, Tokyo		
Business outline	Production and sales of communications systems, information systems and electronic devices, provision of related services		
Sales	4,381,728 million yen		

◎Data for employees (unconsolidated)

Number of employees	26,748 persons (including 1,322 non-regular employees)
Number of employees by attribute category	[Women] 3,984 persons (including 184 non-regular employees) Women's share of managerial jobs at 4.3%
Average service years for regular employees	19.1 years (19.5 years for men, 16.8 years for women)

Background and goals of diversity management

Full-fledged globalization raised awareness of need for greater diversity

As Fujitsu pursued full-fledged globalization from around 2000, the need to encounter and reflect into products and services the ideas of others, regardless of their nationality, gender, age or any physical limitations, became increasingly apparent. Furthermore, Fujitsu developed a personnel system with a common global platform to promote globalization. This brought about various reforms, including smoother transfers of personnel across countries and regions.

Diversity clearly promoted in the corporate values of the *Fujitsu Way*

As global development gained momentum, Fujitsu in 2002 began reworking its corporate principles and values for the entire group in order to share globally the firm's desired orientation.

Then in 2008 the *Fujitsu Way*, a core set of principles guiding corporate and individual actions for the Fujitsu Group, was revised. The promotion of diversity was clearly positioned as a management imperative. Specifically, the *Fujitsu Way* states "*We respect diversity and support individual growth.*"

Specific measures for promoting diversity

Established Diversity Office under supervision of vice-president, step-by-step promotion of diversity

Diversity efforts were gradually implemented from around 2006 and then in 2008 the Diversity Office was established as an organization under the jurisdiction of the Vice-President to further promote diversity in a unified manner across the entire company. Recognizing that a strong commitment from management is essential for promoting diversity, the President and other top management used company-wide forums and other venues to express the company's commitment to diversity. At the same time, the Diversity Promotion Office, under the direction of the Vice-President, clearly conveyed the company's direction, both inside and outside the company, with a strong intention to realize that direction.

Furthermore, the Diversity Promotion Office's vision for Fujitsu is to not only improve individual growth and job satisfaction, but to also embrace diversity as a means for improving corporate competitiveness and growth. Specifically, Fujitsu aims to create new knowledge and technologies through free and active discussions from a variety of viewpoints, while promoting such approaches with awareness of their positive impact on competitiveness.

Following the establishment of the Diversity Promotion Office, medium-term plans for each three-year period were established with activities developed using the PDCA (plan-

Diversity Targets and Main Policies

	Period	Target	Key Measures
1	2008-2010: Awareness & Understanding	- Foster awareness and understanding of diversity promotion among all corporate officers and employees	- Conduct survey on employee awareness of diversity - Conduct e-learning - Build human networks for female, foreign and disabled employees
2	2011-2013: Understanding & Practice	- Promote workplace diversity - Support more active participation by female employees - Promote measures among group companies in Japan	- Select managers to represent diversity promotion in business units and hold study meetings - Determine actual status of workplaces through interviews of unit heads - Set quantitative targets for active participation by female employees and conduct training - Hold briefings for domestic group companies - Hold events for employees of domestic group companies
3	From 2014: Practice & Business Contribution	- Promote measures among domestic and overseas group companies - Generate new business and increase productivity by practicing diversity and inclusion	- Formulate additional measures based on the track record through FY2013

do-check-act) cycle based on these plans. The first plan (2008-2010) raised employee awareness and understanding of diversity. The second plan (2011-2013) was positioned as the period for transitioning to understanding and practical application. Specific details are still being worked out, but from 2014 will be the period during which these efforts are tied to business contributions.

Targets for the first stage (2008-2010) did not include “active participation by female employees.” This was because systematic measures were already in place at Fujitsu to prevent discrepancies between male and female employees. Furthermore, the results of the initial survey on employee awareness of diversity indicated that very few employees recognized lagging participation by female employees as a problem. So the approach was to first create policies that foster awareness and understanding of diversity so as to build a basis for later diversity promotion.

The process for deepening understanding of diversity included e-learning that encouraged all managers, employees and temporary staff to ask themselves what actions lead to meaningful and fulfilling work at the individual level. Furthermore, a diversity promotion system was created to encourage workplace diversity. This system consisted of roughly 130 managers representing each of the divisional functions including sales, development and administration.

In this manner each division fulfils its role in promoting diversity, but the Diversity Promotion Office is the diversity leader for the entire company and supports the efforts of each division. This support includes sharing information on diversity promotion, preparing approaches for promoting diversity based on the results of the annual employee awareness survey, and conducting interviews with the managers of divisions where problems exist.

Female leadership diversity program involving company officers

From 2011 Fujitsu launched the *Female Leadership Development Program* to groom female employee for leadership positions. Candidates are female employees one step away from a managerial position who are recommended by their respective divisions. During the first year of this program there were 70 participants, followed by 50 each in the second and third years.

The half-year program includes intensive classes and on-the-job training. Someone a rank above the candidate’s immediate supervisor is responsible for the training, and development plans are created for each individual. On-the-job training includes attending company officer briefings

and other experiences beyond the candidate’s regular duties. Women in upper management (general manager class) participate in the program as mentors. Many of the participants said in a survey that they wanted to aim for a managerial role as mentors serving as role models increased their motivation.

Many of the women who said they did not want to become managers before this program changed their minds after gaining confidence through the experience. In fact, roughly 40% of the women in the first program have since been promoted in some form.

Furthermore, the group training includes a program for discussions with company officials so that management can be involved in this training. In this manner the program goes beyond simple training female employees to also elevating awareness among company officials and increasing recognition of diversity promotion as a company-wide approach.

Product development and management/ administrative support through independent working group for utilizing values of women

Along with the above company-wide measures for promoting diversity, various other approaches have also been adopted by individual divisions.

For example, in June 2011 a working group consisting of only women was formed to support a project for developing a PC targeting women. This project aimed to combined the company’s desire to win more brand-based demand (= avoid price competition) with the desire of the female working group to create a PC they personally would want to own.

The working group consisted of eight women; two from Marketing, five from Design, and one from Sales Planning. Product planning was conducted through regular meetings with the two women from Marketing playing central roles. This group functioned independently as an organization separate from the conventional product planning meetings. The aim was to fully tap into the sense, values and ideas of these members who had no prior experience in product planning and so were unencumbered by established notions.

The working group conducted design preference surveys, lifestyle & value surveys, and consumer behavior surveys (interests, favorite stores, shopping) through group interviews. The members also took pictures of their rooms and small personal articles and used them as the basis for grouping preferences of women. Through the process of incorporating the lifestyles and worldviews of this customer segment into product planning, Fujitsu was able

to uncover new product development ideas not found through conventional product planning.

Whether to market products planned by this working group was ultimately a business decision made by management. However, the product planning processes fully reflected the ideas of the members, who also represent the target users, without interfering with the values of women.

There was already a culture in place at Fujitsu allowing for the relatively free exchange of ideas and active participation by women, due in part to the past success of mobile phones planned by female employees. However, a PC for women was a product based on completely new values for the company and some argued against creating a product that targeted only half of all potential customers (women). In order to gain understanding within the company, managers and heads of the units in charge argued that Fujitsu could not differentiate unless it did something different than its rivals, and that there needed to be products with clearly focused targets in order to escape price competition. In this manner there was good indirect support for the activities of the working group. The AC adapter was decorated with diamond-cut stones for a sophisticated look, and the Japanese *kana* notation was not used for the keyboard to realize a more refined design. There were some objections by related parties within the company to these revolutionary ideas, including making the Fujitsu logo smaller, a departure from the company's branding rules. While some argued "the cost would be too high" and "that can't be done," heads of the units in charge were added to the negotiations and managers provided as much support as possible on various fronts in order to realize the plans of the female working group.

Managerial effects through promotion of diversity

Commercialization of PC targeting women

In November 2012 Fujitsu introduced the *Floral Kiss* brand of personal computers for women that was planned and developed under the direction of the all female employee working group.

This product thoroughly incorporates designs that appeal to women. It has a clutch bag (purse) form so as not to damage long fingernails, an AC adaptor adorned with diamond-cut stones, a refined keyboard with only the full alphabet, floral motif design for outtake and intake vents, and a new positioning of the Fujitsu logo that brought about a change to the company brand rules.

Fujitsu has sold roughly 17,000 *Floral Kiss* PCs. While this accounts for only 2% of all its PC sales, the firm has been able to win brand-based demand through a product not offered by the competition. Typically, PC prices are cut by 40,000-50,000 yen roughly four months after their launch. However, even though the *Floral Kiss* brand costs around 50% more than typical Fujitsu PCs, prices have only come down between 5,000 and 10,000 yen since the launch, making this a product with good price maintenance. Amid the fierce PC price competition where generating profit is difficult, *Floral Kiss* provided Fujitsu with solid product differentiation by meeting the specific needs of a clear customer target.

Furthermore, among the eight models nominated for the Intel Ultrabook contest, *Floral Kiss* was ranked as the No. 1 PC that women wanted, and numerous media outlets reported on the product. As such, *Floral Kiss* made a positive contribution to the Fujitsu brand image.

New business development potential

Fujitsu's development of PCs for women involved a model designed in collaboration with jewelry brand *agate*. This allowed for the sales of stylish PC cases and other items, and provided Fujitsu with a foothold into the business of PC accessories, which had not been a strong suit. New promotional methods and sales channels were also uncovered with some beauty salons agreeing to display the model at their shops with guidance for making purchases online.

Women account for 20% to 30% of all PC purchases, but more than 80% of *Floral Kiss* PC purchases, which allowed Fujitsu to capture a customer segment that could lead to the development of new services. Fujitsu plans to look for other opportunities such as the development of the next *Floral Kiss* model and related accessories, and the provision of services targeting this particular customer segment.

Reference information



Floral Kiss PC targeting women features a flip latch with a clutch bag shape that can be easily opened even by people with long fingernails (top left), AC adapter adorned with diamond-cut stones (bottom left), and optional case (right) all made using uncompromising designs.

Corporate Name

Manufacturing

Large enterprise

Sekisui Chemical Co. Ltd.

A female employee was appointed to the position of product planning by internal job posting program only for female employees. She proposed a new bay window with an unconventional concept called *Bow Window*, which contributed to increase the sales.

Main points

- ▶ Recognized need to transform into an organization that incorporates diverse values in order to sustain growth and respond to market globalization. As such, has promoted more active participation by female and foreign employees.
- ▶ Employment plan calls for more than 30% of hires to be women.
- ▶ Female employees are aggressively assigned to posts and positions that are made up of mostly men. At the same, support is provided so that female employees assigned to such posts for first time can quickly fit in. Such support includes lectures provided by the Human Resources Department for the heads of the relevant sections, supervisors, and senior staff members serving as trainers.
- ▶ Proactive efforts to create a culture where female employees can actively participate. These efforts include "Female Subordinate Management Seminars" targeting supervisors who have female subordinates.
- ▶ Successful development of the *Bow Window* bay window for Sekisui House based on ideas from female employees assigned to the Product Planning Department using a recruitment system limited to women. The new concept *Bow Window* adopts a curved window configuration, a departure from the company's conventional straight-line bay windows.

Sekisui Chemical's Approach to Utilization of Diverse Human Resources

Raise corporate value by stimulating diverse human resources



Data

◎Corporate profile

Year of foundation	1947	Capital	100,000 million yen
Head office address	2-4-4 Nishitemma, Kita-ku, Osaka, Osaka Prefecture		
Business outline	Manufacturing and sales of processed plastic products		
Sales	1,032,431 million yen (to March 2013)		

◎Data for employees (unconsolidated)

Number of employees	3,645 persons (including 194 non-regular employees)
Number of employees by attribute category	[Women] 381 persons (including 43 non-regular employees) Women's share of managerial jobs at 2.2%
Average service years for regular employees	18.1 years (18.2 years for men, 16.9 years for women)

Background and goals of diversity management

Responding to global development

Sekisui Chemical was established in 1947 (as Sekisui Inc.). That year the company launched Japan's first plastic automatic injection molding business. The company then grew as a manufacturer and marketer of processed plastic products including cellophane tape and the world's first plastic rain gutters.

The firm's housing business began in earnest in 1971. The core products of this business included *Sekisui Heim*, made from factory-built modules, and the *Two-U Home*, which combines factory-built modules with the two-by-four construction method. Then in 2001 Sekisui Chemical adopted a three-company organization made up of its Housing Company, Urban Infrastructure & Environmental Products Company, and High Performance Plastics Company. For the fiscal year ended March 2013, Sekisui Chemical reported sales of 469 billion yen for the Housing Company, 214.5 billion yen for the Urban Infrastructure & Environmental Products Company, and 332 billion yen for the High Performance Plastics Company. As such, the Housing Company produced the largest sales for the firm.

The company began actively promoting diversity when it recognized need to transform into an organization that incorporates diverse values in order to sustain growth and respond to market globalization.

The overseas sales ratio for these three companies combined is roughly 20%. The business for the Housing Company is mainly in Japan, but it has started developing overseas operations such as the establishment of a local subsidiary in Thailand.

Sekisui Chemical sees a need to further invigorate its overseas business development, including the Housing Company. With the advancement of globalization, more and more work involves customers and employees with diverse values. As such, the corporate culture must evolve and adapt to these changes. The active promotion of human resource diversity, including not only women, but also foreigners and Japanese global human resources, is an important element for future corporate growth.

Promoting greater human resource liquidity

The company has approximately 2,300 employees on an unconsolidated basis, but the number of employees for the overall group including overseas units is vastly larger at around 22,000. As mentioned above, along with the spread

of globalization, Sekisui Chemical is building an environment and corporate culture where various employees can actively participate. To this end, the firm is appointing not only female employees, but group company employees and others that in the past were infrequently reassigned, while at the same time taking other steps to improve human resource liquidity within the company. Sekisui Chemical believes that such measures are linked to growth. Personnel exchanges in the past typically consisted of sending employees from the parent to group companies. However, now more employees from the group companies are being appointed to Sekisui Chemical executive positions

Specific measures for promoting diversity

Establishment of Kirameki Life Promotion Office

Against this background, Sekisui Chemical from 2007 began taking concrete steps to promote active participation of female employees as one part of its broader diversity promotion efforts. During that year, the company established its "Kirameki Life Promotion Office" headed by an official in charge of Personnel. The office currently consists of ten members (even male/female split), including members dedicated exclusively to female-employee issues, that plan and manage policies for promoting greater participation by women in the workplace.

One of the first actions taken after establishing this office was to invite successful female administrators from outside of the company to provide keynote speeches for roughly 200 members of Sekisui Chemical's top management. As a result, managers of traditionally male-dominated worksites were able to appreciate the managerial significance of promoting greater participation by female employees and pursued the following:

- (1) Aggressive hiring of women
- (2) Aggressive assignment / appointment of women to male-dominated posts, occupations
- (3) Seminars for supervisors and female employees, lunch meetings to support networking
- (4) Specific policies promoting greater participation by female employees including work/family balance support policies (prepared systems and environment support systems)

Women accounting for more than 30% of hires

Even though Sekisui Chemical created this office and began promoting greater participation by women in the workplace in

earnest, it soon realized that these initiatives would be difficult to pursue as the absolute number of female employees was still low. Starting with the staffing plan for 2008, the firm set the target of having women account for more than 30% of hires, up from the traditional level of only 10% to 15%.

In order to give form to these policies, the firm held briefings and made sure that more than half of the people dealing with prospective employees were women in order to convey the image of Sekisui Chemical as a company where women play an active role. At the same time, saleswomen and female managers raising children were placed in charge of interviews to develop hiring activities with women at the forefront.

Thanks to these efforts, 30% of Sekisui Chemical's hires are now women, however, this level of hiring will need to be maintained for around ten or more years to bring about a real change for the company. As such, these efforts will remain in place.

Aggressive assignment of women to male-dominated posts, occupations

During the previous period when the participation of female employees was not aggressively promoted, women tended to be assigned to back-office sections. However, recognizing the need to expand the range of female employee participation, women are now being aggressively assigned to sales, plant engineering and other fields without any bias. The company's basic approach is that in principle there shall be no posts or occupations for which appointments are limited to men.

However, the company assumed that simply assigning women to previously all-male posts could create problems for those already working at those posts and the newly assigned female employees. In the worst case scenario, the female employees would have trouble fitting in. So the firm took efforts to provide post-assignment support.

When a woman is assigned to a post for the first time, the Human Resources Department will first hold lectures for the head of the relevant section, supervisors, and senior staff members serving as trainers. The key points of the lectures are (1) precautions for avoiding poor communication between female employees and supervisors, while at the same time (2) realizing there is no need to handle female employees differently than male employees.

Senior staff members of roughly the same age as the newly appointed female employees are selected as the trainers. This makes it easier for the female employees to adjust to and fit in at the new worksite. "Female Subordinate Management Seminars" are also conducted for supervisors who have female subordinates. As of 2013, roughly 280 supervisors attended these seminars. These seminars of course touch on workplace management methods, but they also touch on

finer points such as proper conduct at employee drinking parties. Furthermore, the company has prepared various systems supporting a proper work family/balance. These include childcare leave (can be taken until the end of the month in which a child reaches the age of three), shorter working hours (can be taken until child enters fourth grade), family leave (can allow for three special days off each year until children/grandchildren enter high school). The creation of an environment allowing women to continue working after marriage and childbirth was clearly conveyed to supervisors with supervisors expected to explain this system to female employees at the worksite. These approaches have proved successful. In the past there were many cases of women who used marriage/child birth as the reason for leaving the company, however, currently close to 100% of the female employees who use maternity leave return to the company.

Managerial effects through promotion of diversity

New concept product created by female employees selected through special recruitment system

The promotion of diversity has produced various management results for Sekisui Chemical. One example is the planning and commercialization of a new concept product by the Product Development Department that was proposed by female employees through an in-house recruitment system. This product is a bay window (product name: *Bow Window*) adopted by the main office's Product Planning Department. The product was proposed by female employees through a special in-house recruitment program targeting female employees of the Kyushu Housing Sales Division. The *Bow Window* is a type of bay window that connects semicircular floor and ceiling sections protruding outward from the home interior (see photo at the end of the text).

Features of the *Bow Window* include increased external lighting due to the round surface configuration, extra space for tables, sofas and other furniture, and increased interior variation. However, for Sekisui Chemical the biggest feature is how the *Bow Window* can add to the external appearance of its homes.

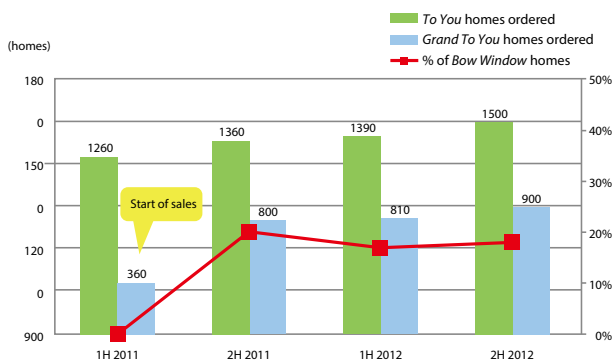
Sekisui Chemical homes are true "industrialized homes" for which most of the main components such as internal/external fixtures, equipment and roofs are factory produced and then assembled on site. As such, basically only components with straight lines are used. However, the addition of a bow-shaped bay window protruding outward from the interior created a soft and stylish accent to the external appearance of Sekisui houses.

Viewpoint of female employee previously not with the Product Planning Department

Until then the planning departments of the Housing Company were made up almost exclusively of men. These male-dominated departments tended to focus on elements that could be expressed numerically such as “performance” and “cost,” while largely ignoring sensibility-based values such as “softness” and “style” that cannot be readily expressed numerically. However, many customers bring their families when looking for a new home and the women / children customer segment tends to place greater importance on external appearance and interiors. As such, this idea proved to be positive from the perspective of attracting customers to Sekisui Chemical’s model homes.

The *Bow Window* product commercialized in this manner won praise from those inside the company. For example, those in the Housing Sales Department commented that the increased product variation made it easier to provide customers with proposals. As shown in the chart below, the *Bow Window* has made a clear contribution to sales, with sales of houses equipped with *Bow Windows* accounting for about 20% of all housing sales from the very first year.

Percentage of Homes Equipped with *Bow Windows* to Overall Home Sales



Successful commercialization with support from other employees

The Product Planning Department took an interest in trying to commercialize the *Bow Window* as it was a completely new idea proposed by members of the Housing Sales Department, who are engaged in operations that closely involve the customers.

However, this marked the first time that the female employees involved in the project would have the opportunity to make presentations before superiors. This was a weak area for these women as they had little experience making presentations and the processes was not traditionally used in the Housing Sales Department. However, male employees in the Product Development

Department provided the women with presentation pointers as well as lectures on the key points, such as how *Bow Windows* are in step with short delivery times, the main feature of Sekisui Chemical homes. As a result, the superiors gave their approval for commercialization.

A key point for gaining in-house approval was how to overcome the demerit of higher costs for *Bow Windows* due to their curved configuration. On this point, cost reductions were realized by assembling on site portions that would conventionally be assembled at the factory and transported to the site. Furthermore, cooperation from male employees in the Product Development Department in terms of improving designs and manufacturing processes in order to halve the assumed costs, was also a major factor in realizing commercialization.

This project also proceeded so smoothly because the superiors had a good understanding of the positions of female employees. These superiors had previously been dispatched from the head office to sales companies, so had to overcome the hurdles of having no Sales Department experience or expertise.

Based on such experience, they had the conviction that, “Even if we initially did not understand the aim of their statements, we could discover something new by grasping

their true intentions.” As such, they were able to patiently listen to the proposal presented by the female employees and understand its true value.



External appearance (left) and interior (below) of house equipped with a *Bow Window*.



Corporate Name

Manufacturing

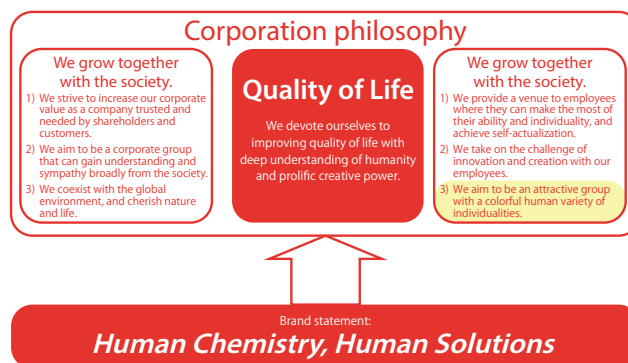
Large enterprise

Teijin Limited

The company's CEO appointed a female employee to the position of leader, and succeeded in creating a new consumer business realized by a project across the departments of the company.

Main points

- ▶ Shifted to the business model of "begin with the consumer in mind" and started a collaboration project, directly controlled by CMO (Chief Marketing Officer), between a daily commodities manufacture and a retailer as a model case of business reformation to a company-wide interdepartmental structure from a vertical one.
- ▶ The CEO keenly realized the necessity to create final products by using Teijin's material, and appointed a woman who is familiar with all sorts of company material as a project leader
- ▶ The female leader's attitude with a strict consumer's viewpoint of product development reinforced the relationship of mutual trust with the collaborating company
- ▶ Reanalysis of consumers needs, improvement of existing products, and a new PR method have increased the sale of new products and shortened the development time.
- ▶ The CMO's commitment realized creation of a women trial user team in a short period, and helped the project succeed
- ▶ It became one of the successful examples of a new business model



Data

◎Corporate profile

Year of foundation	1918	Capital	70,816 million yen
Head office address	1-6-7 Minami Honcho Chuo-ku Osaka City, Osaka Prefecture		
Business outline	Manufacturing and sale of synthetic fiber		
Sales	745,712 million yen Latest business year (2012, consolidated)		

◎Data for employees (unconsolidated)

Number of employees	In Japan: 8,891 persons (including 1,128 non-regular employees)
Number of employees by attribute category	[Women] 2,163 persons (including 671 non-regular employees) Women's share of managerial jobs at 3.8%
Average service years for regular employees	15.5 years (15.9 years for men, 13.3 years for women)

Background and goals of diversity management

Strong commitment of top management, and clear orientation in corporate philosophy and management plan

The CEO's sense of crisis started Teijin's efforts for diversity when the CEO and top management visited European corporations where they saw many competent female employees working hard no differently from men at first hand. Then they feared that growth would be limited for a men-only group, and providing products with various values wanted in the market would become difficult. They felt the urgent necessity of more spontaneous use of female human resources.

Starting in 1999 by establishing Women's Competence Development Committee, they created an organization specializing only in diversity promotion in the following year, and their diversity management centered around women's competence development and usage was further promoted in the 2000s. When the idea was first introduced, few female workers were in managerial posts, but with the CEO's strong leadership, they set a goal to "hire new graduates of which 30% are female, for a job in a major career path." The goal was achieved, but in 2011 female employment significantly dropped to 19% due to many cases of cancellation in addition to high demand by the staff for male workers with less risk possibility of early retirement or long leave. The CEO, when he learned of the fact, said satisfying the numerical target of the CSR was Teijin's responsibility as a corporation, and showed his strong commitment by promising to raise the ratio to 40%, which was achieved. The employment target was satisfied again in 2013, and it turned out that the target of 30% women employment has been achieved on average for the past 13 years.

The promotion of diversity is clearly stated in one of their corporate philosophies: We aim to be an attractive group with a colorful variety of individualities. It is also recognized as an important HR strategy in the mid-term management plan 2012-2016, "CHANGE for 2016 – innovation and implementation."

Further promotion of diversity, started by shifting to the business model of "begin with the consumer in mind"

For 10 years from 2003, Teijin took the form of a holding company with split companies according to each business category. They also used the department system with organizations by material type. There was advantage to manage the company corresponding to each business characteristic, but it hindered creation of interdepartmental business. Teijin's extremely advanced technology often led to the concept of starting from high-function materials, which interfered with the business of creating products needed by the market from the viewpoints of consumers.

In order to survive global competition, they needed to provide new values corresponding to market needs by integrating their advance technologies. In order to exert the total power of the entire group, they integrated the group companies in April 2013. With the slogan of "One Teijin," they shifted from individual to overall optimization and decided to enter a new arena, the consumer market, by promoting business with interdepartmental projects, and a new viewpoint of B to B to C, updated from B to B.

Personnel free from restrictions of conventional organizational principles in business decision-making or unwritten rules not to interfere with other departments, and who have the ability to think business with consumers' eyes, became essential. Diversity started to take on more significance.

Specific measures for promoting diversity

Start a company-wide interdepartmental project to be a new business model, and the CEO's appointment of a female leader

Since May 2011, prior to reformation of the organization, in an attempt to develop new business, Teijin has collaborated with Nitori Co., Ltd., a manufacturer and reseller of furniture and daily commodities. They jointly develop heat-insulated curtains and the *Randoseru* school bag, a hard backpack often made with genuine or synthetic leather and used by elementary school students. Initially, approaches were separately made by sales personnel from each department to develop and manufacture high function fiber, resin, film, carbon fiber and synthetic leather, and lacked a company-wide approach. Contrary to the proposal from the consumer's viewpoint by finding an answer to the question "which

material should be used to solve the consumer's problem?," the project members inclined to stick to high material functions, often leaving the consumer's viewpoint behind. "I really don't know about other materials than those in my field of study, besides I am not in charge" was often heard, so coordination was very poor. Little communication between the departments slowed down the speed to respond to market needs.

In order to overcome such a situation, due to the CEO's strong wish, the Nitori Project Team was created to shift to an intergovernmental project-type business company-wide in December 2012, prior to reorganizing the company structure. A woman was appointed by the CEO as the project leader. She joined Teijin in 2003, and after having worked at some other company, she was engaged in running the Internet shopping site for consumers for four years, increased its sales by 2.8 times, and became the museum director of "Teijin Future Studio" where Teijin's technology was showcased. In order to introduce Teijin's state-of-the-art technology to visitors, she was familiar with their extensive range of materials. As she had never been involved in sales or development of materials, she was able to see things with a consumer's eyes without the restrictions of conventional principles of the organization. In a company with few consumer products, there was no one else but her who had consumer business experience, a comprehensive understanding of Teijin's technology and products, and a consumer's perspective without worrying about the old principles of the organization. The CEO appointed her as leader of the project, to be a touchstone leading to the success of the new business model. Because she was also in the same age range of Nitori's major customer segment, it was expected that her viewpoint would be closer to that of consumers. After organizing the project team, she became a full-time project leader to unify marketing including product proposal and planning, while sales personnel for each different material joined as part-time team members.

As soon as she arrived at her new post, she worked at one of Nitori's retail shops for one week to see what consumers demanded, and how Nitori responded to it first-hand. Since then, she makes it a rule to visit shops of Nitori and their competitors twice a week to observe and analyze consumer trends: what kind of conversations they have while they shop, and what products they buy together. Sometimes she directly talks to a shop clerk to ask about consumer needs after identifying herself.

Nitori's team members appreciate her attitude and capability of concept with a consumer perspective, which are unconventional qualities in a project leader.

Although the other project members were men some of whom ranked higher than her, everyone was unanimous in actively taking part in the project, as they felt the necessity to change the business model and knew the significance of her role.

Establish a system to support the project team by putting it under direct control by the CMO

In accordance with the reorganization as of April 2013, the project team was now under direct control by the Chief Marketing Officer (CMO), emphasizing the significance of the project. As the CMO realizes his comprehensive support is essential for the success of the project, he has been proactively involved to lead the team with effectiveness.

One of his contributions was creation of a brainstorming team, composed of women, in September 2013. A certain period passed and the leader realized her concept had nearly reached its limit, and she asked the CMO for some mechanism allowing her to consult someone in the company. The CMO acted quickly: he asked various managers of different departments including the Diversity Promotion Office to recommend female workers in their thirties to fifties, married with children and with shopping experience at Nitori, to create a brainstorming team so that their opinions could be reflected in product development. The brainstorming team, composed of 8 women, meets regularly to talk about their new ideas. They have new team members every three months to avoid ideas from becoming fixed or obsolete. This approach enabled the team to collect consumers' complaints and demands with fresh eyes, and get ready to make proposals to Nitori.

Managerial effects through promotion of diversity

A new business model for consumer goods with a company-wide interdepartmental project led by a female leader

Composing the project team achieved both a larger number of new items, and sales increase.

There have been only three items - a heat-insulated

curtain, the *Randoseru* school bag, and beddings for one and a half years since May 2011 when the collaboration with Nitori started. Once the project started in December 2012, the development time significantly decreased as 9 items were developed in a year.

As for products that had been developed and marketed before, Nitori and the project team made a number of improvements. For example, the selling point of the *Randoseru* school bag, a hard backpack often made with genuine or synthetic leather and used by elementary school students, had been its low price. While the team reviewed consumer survey results in the past, they decided that with better quality, function and design, it would sell even if the price were higher, considering the fact that grandparents commonly purchase it for their grandchildren as a gift, which was observed at the shops. They put the new *Randoseru* school bag, with new material, synthetic leather used for very lightweight shoes for professional sports players with some improvements, and a new design and price, on the market. Despite its higher price, 1.5 times higher than the original product, sales of the material for “*Wanpaku Gumi* (mischievous kids)” *Randoseru* school bag, in 2013 were 1.6 times higher than 2011.

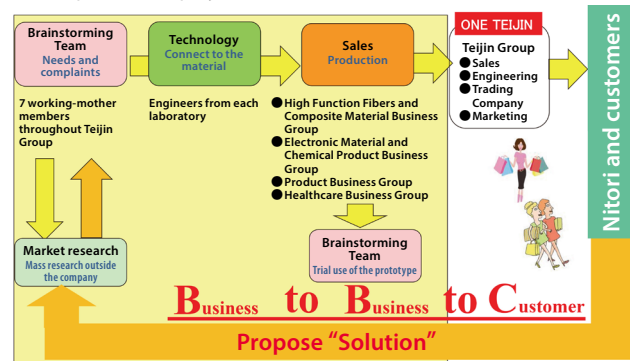
“Eco Oasis,” a heat-insulated curtain, was promoted as “being able to prevent excessive rise of room temperature in summer, and keep warm in winter, it leads to less frequent usage of AC and heaters, resulting in decreased CO2 emission.” The sales of the curtain material in 2013 after the project started grew by 1.7 times compared to the previous year. The sale of beddings made with dust-proof material increased by 2.2 times compared to the time before the project. The project therefore greatly contributed to those outcomes.

From the vertical structure to a company-wide interdepartmental approach to become a model case of business reformation

The success of this project, the first project aiming to create a new company-wide approach, has been a model case of business reformation: from a vertical structure, to a company-wide interdepartmental approach, “begin with the consumer in mind” instead of the conventional “begin with the material,” and has become the symbol of “One Teijin.” “Like the Nitori Project” has been commonly quoted at many discussions, and many employees see new possibility in the project type business approach.

The success of the female leader was featured by major media such as “Nikkei Business,” “Yomiuri Newspaper,” and “Recruit Works,” and more companies in various industries started to make inquiries to Teijin, not only retailers but also sanitary goods manufacturers. Now, there are more possibilities to realize the next project

Innovation of product development through company-wide interdepartmental project



Reference information

“Wanpaku Gumi Mecha! Pika,” jointly developed with Nitori (left), and heat-insulated curtain, “Eco Oasis.”

Nitori Project and Brainstorming Team members

Corporate Name

Manufacturing

Large enterprise

Procter & Gamble Japan

By leveraging diverse employees who are different nationalities or gender, etc, continuously delivering innovative products and innovative marketing ideas.

Main points

- ▶ Created a system called "Women's Network" more than twenty years ago to allow career-oriented female workers to talk to and/or consult senior female workers across the departments.
- ▶ Women's share of managerial jobs accounts for 34.4%.
- ▶ Accept various working styles by continually adopting new systems such as flextime and telework.
- ▶ Out of the three plants they have, the Akashi Plant is managed by a foreign woman, while the Shiga Plant is managed by a Japanese woman.
- ▶ A simple question by an American man brought a discovery of new needs in dishwashing detergent.
- ▶ An idea of a Japanese man brought about a creation of a popular women's sanitary product.
- ▶ An inspiration of a French woman changed the conservative method of promoting shavers.
- ▶ Sales in the mature daily necessities market grew 1.5 times higher in 2012 compared to 1992 in Japan.

P&G's Human Resource Management System



Data

◎Corporate profile

Year of foundation	1973	Capital	29,200 million yen
Head office address	1-17 Koyo-cho, Higashi Nada-ku, Kobe City, Hyogo Prefecture		
Business outline	Manufacturing and sale of daily necessities such as detergent, shampoo, diapers and cosmetics		
Sales	US\$ 84,167 million Latest business year (to June 2013) *Including entire P&G Group		

◎Data for employees (unconsolidated)

Number of employees	3,946 persons (including 626 non-regular employees)
Number of employees by attribute category	[Women] 2,493 persons (including 520 non-regular employees) Women's share of managerial jobs at 34% [Foreigners] 75 persons (no non-regular employees)
Average service years for regular employees	Undisclosed

Background and goals of diversity management

A principle that respects every individual

What lies in the background of diversity management of the Procter & Gamble Japan (P&G) is their corporate statement, namely PVP (Purpose, Values, and Principles). Three of the eight principles especially, “We respect every individual,” “The interests of the corporation and the individual are inseparable,” and “We believe in mutual cooperation,” constitute the basis for employees to naturally accept diversity. Having a philosophy to respect every employee as an individual regardless of their gender, age or nationality at the center of its management, P&G tries to realize “Diversity and Inclusion” (referred as “diversity”), one of the essentials to its management strategy.

P&G, founded in 1837 in the United States, is a manufacturer of daily necessities, which now operates in 70 countries across the world, and their products are marketed in 180 countries. There are 4.8 billion users of their products on the earth. P&G Japan, having been in the country more than 40 years, was first established in Osaka in 1973, and now is based in Kobe.

Nurture human resources recruited within the company

“Diversity” in P&G is a source enabling the company to acquire competitive advantages and bring about innovation, and is considered an indispensable investment to management like capital investment.

Unlike most American companies, P&G uses in-house recruitment. As managerial posts including executives are occupied by employees whose entire career after college remains with P&G, fostering competent employees within the organization in the long-run is essential. Regardless of gender, training for future managers is consistently provided so that employees can develop their ability through business experience at P&G. That leads to a large share of women in managerial positions. Valuing an employee’s life plan, P&G has a number of female workers, who are also mothers, achieve their careers and take managerial posts.

Specific measures for promoting diversity

Women’s Network – venue to talk with role models

It was 21 years ago when P&G started diversity management, 10 years after the US headquarters. Having had a dozen of female managers even then, P&G advanced more than other Japanese corporations, but was far behind other P&G corporations in other countries. In order to catch up with the global standard of P&G in utilizing capabilities of female employees and respond to the pressure from P&G Global, they established a Women’s Network with a part-time Diversity Manager in 1999 as a venue to exchange opinions with female managers across the departments. The post of Diversity Manager has been full-time since 2003.

They are now in Step 3 after Step 1 in which female employees were the theme, and Step 2 that focused on diversity in a broader sense, and addressed religion and nationality. They try to incorporate the deliverable, by respecting and understanding differences in each one’s life background, interests and concerns, which even could be different in people of the same gender or nationality, into their management.

Various systems to elicit best performance

One of the devices to promote diversity management includes a flexible system for work-balance support measures of which the fundamental idea is to exert one’s highest capability while working in a flexible environment. Employees need time not only for childcare and nursing, but also hobbies and self-enlightenment. How should an employee work to make the most of one’s ability for the best productivity? This question constitutes the basis of the system design and its promotion.

The “telework system” is one such example. Except for some employees working shifts at plants or as department store beauty staff, any employee at any post with or without titles can work from home once a day for any purpose. Although they need to decide which day of the week is used for telework one year ahead at the most, which can be changed later as necessary, managerial members proactively use the system. With the superior’s approval, an employee can temporarily use the system for a day, or combine telework and reduced-time working. This flexible system satisfies the diverse needs of employees.

The “Support System for Childcare and Nursing” is a system to provide employees with benefit for the cost incurred for childcare or nursing. A benefit up to 100,000 yen/year is paid to cover the extra cost incurred by a working parent or caregiver. For example, when a working mother has to be on a business trip, she has to ask someone,

say her mother or babysitter, to pick up her child at the day-care center. The benefit covers the cost for such expenses, including the travel fee to the day-care center.

There are two types of “Babysitter Support System,” both of which can be used at the same time. One of the systems pays an employee 700 yen/hour up to 30 hours/month when she uses a babysitter sent from the welfare contractor of P&G. The other is provision of a “Babysitter Discount Coupon” (1,700 yen worth, one household can use one coupon a day) through cooperation with *Kodomo Mirai Zaidan* or Children’s Future Foundation, which an employee can use as frequently as wanted. By combining the two systems, 2,400 yen a day is provided for the babysitter cost. It is notable that working fathers often use the system too, and using a babysitter is common at this company.

Flexible application, rather than excessive system reinforcement

P&G keeps the legal standards for childcare leave, reduced working hours and care leave. While many corporations now allow their employees to take longer leave, P & G keeps the legal standard although they had sought the possibility. They decided the system enables their employees to work in a flexible manner, and they don’t have to compromise their career or family care, which is more important. Thanks to the flextime and telework system, few people use the system of reduced working hours as it affects their salary and may obstruct their career.

P&G’s corporate culture, unique to a foreign-capital enterprise, helps the systems to function well. Without considering the virtue of long working hours, they encourage a working style to work efficiently for the best performance before the time to leave the office is up, which is strictly specified.

Working hour management is achieved by thorough training. A person who works 30 hours overtime a month is reported to the department manager by a HR member, assigned to each department. The department manager passes down the information to the employee’s direct superior, who then meets the employee to confirm the situation. In the meeting they discuss measures to improve, and may decide training (for time management, prioritization, project management, etc.) is necessary. In order to avoid overtime work from becoming permanent practice, an employee constantly working overtime for more than three months meets the department manager to decide if support or reviewing his work content is required.

A sales employee who commutes to and works entirely

at his business sites is required to contact his superior frequently throughout the day, in addition to the report sent first in the morning. This is another system to avoid overwork. Sales personnel often work late for a client’s convenience. They can adjust the total working hours by reducing future working hours.

An example of flexible applications of the system is that a working mother is allowed, if she wishes, to accompany her child on her business trip, and hire a babysitter to take care of the child in the next room while she is attending a meeting. The decision of the employee is most respected because forcing her to leave or exempting her from necessary duty just because she has a young child may badly affect her career plan. P&G believes that they should discard the conventional idea and offer flexible options to employees so that they can choose what they think best, eventually giving their best performance while taking good care of their family.

Promote diversity in a plant, which often tends to be a male-dominated society

P&G has three plants; Takasaki that manufactures detergent, Shiga cosmetic products, and Akashi paper products. Contrary to administrative departments where diversity management gradually prevailed, the Production Management Department that controls the plants was a male-dominated society.

Promotion of diversity started in 1997 when the Women’s Network was established in P&G corporations in the Asian region. Two years later in 1999, they created sub-teams, and conducted a survey of what problems female employees faced and the support they sought from the company. Company-wide promotion of diversity was applied also to the Production Management Department from 2000 to 2006. When they realized women-only efforts without the support of their superiors did not improve the situation, they started events where superiors attended.

After 20 years of diversity promotion efforts, now the department has two female plant managers: Akashi Plant is managed by a Polish woman, and Shiga by a Japanese woman, both of whom are married with children. The ratio of female managers has been growing there too. With such a successful outcome, in 2012, the Women’s Network which focused on female employees was disbanded, and in its place, a “Diversity and Inclusion Network of the Production Management Department” was created to address even broader diversity aspects including gender and nationality.

After the efforts made in the past 20+ years, the ratio of women in managerial posts in the company has grown to 34%.

New female plant managers at Production Management Department



Polish manager (left) and Japanese manager (right), who both arrived at their posts in 2013.

Managerial effects through promotion of diversity

Revolutionary products and sales method brought about by diversity

Diversity management brought about some innovative products such as Joy, a dishwashing detergent. The main users of dishwashing detergent are women, who often doubtlessly think their usage is correct. That is why a question by a complete novice can give a great hint, resulting in not only improvement, but innovation. P&G visits regular houses to excavate potential needs. At one of such occasions, an American male employee, while watching a housewife doing the dishes, asked "Why does she rinse the dishes twice?"

Her answer was to remove the stickiness. "Then what if a detergent that can remove it by single rinse were available?" This one inspiration resulted in the creation of a detergent with excellent rinsing properties. By respecting diversity and accepting new and different opinions, they develop products and conduct market research with prototypes, some of which become regular products.

Another example is "Gillette," a shaver for men. Conventionally, it was believed there was a certain age segment when men purchase shavers most based on market research results. A female French brand manager threw doubt on common sense: Isn't it rather the age when guys are most conscious about their appearance? The market research that was widely conducted then found that men select and purchase a shaver, as the manager expected, at a different age segment from the one conventionally believed. Based on this research result, they changed the target user for their promotion, and adopted new marketing strategies. The sales increased.

"Whisper" is a sanitary product for women, but a male brand manager has been intentionally assigned. A male Japanese researcher suggested; "How about a sanitary napkin having a back print like this?" showing a children's sticker as an example at a development meeting. The female members of the development team did not approve the idea of back-printing sanitary pads, as they had never seen such a thing. With their notion of behavioral custom, they decided to adopt the idea and conducted a consumer survey of a pad with stickers on its back. The target consumers had a positive reaction, saying it was cute. After a series of studies, they finalized the pattern and color with clover, and started marketing the product. The sanitary pad with back-print has become so popular that even the competitors have followed P&G.



With a focus on "Inclusion," sales increased by 1.5 times in the past two decades

Shifting to diversity management realized a number of achievements, including successful development of new products and sales promotion. As a result, the sales of P&G Japan have grown by 1.5 times by adopting diversity management (1992 to 2012). Considering the nature of the mature market for daily necessities and the shrinking population of Japan, this achievement is due to diversity management.

Diversity in an organization helps create an environment that encourages employees from a variety of backgrounds to talk freely. Building experience to respect differences can bring new value. Their efforts in diversity management have led to many successful cases of new products.

They annually conduct an opinion poll among employees including ES. The result shows the employees' high degree of satisfaction through their answers to questions about "P&G's diversity promotion," and "if employees are respected from a viewpoint of diversity." Diversity management as a whole contributes to heighten employees' motivation.

Corporate Name

Information and communications

Large enterprise

Recruit Holdings Co., Ltd.

Flexible working styles enabled women employees to keep working while raising children, and they create new business ideas by taking advantage of having broad view points.

Main points

- ▶ Since its early days, Recruit has had a gender-equal working environment, but the long working hours did not allow many female workers to keep working after their marriage and/or maternity leave.
- ▶ In an attempt to live up to the company's name that fundamentally changed the idea of human resource utilization, a new diversity promotion measure began.
- ▶ In 2006, an organization to promote diversity was established to support female workers to keep their "work-life balance" for childcare and "advancing their career" to facilitate women's promotion to the management class.
- ▶ Publicly announced the target share of managerial jobs of women in 2012.
- ▶ After 6 years of effort, the number of working mothers grew by three fold.
- ▶ A female editor-in-chief who stood on a new life stage realized a revolution for Zexy.
- ▶ Through the "Challenge Post" system for working mothers, in which an employee can apply for a certain post in a company, a female researcher created the huge popularity of *Yuki Maji!* 19.

Data

◎Corporate profile

Year of foundation	1963	Capital	30.02 million yen
Head office address	1-9-2 Grand Tokyo South Tower, Marunouchi Chiyoda-ku Tokyo		
Business outline	Information and communication		
Sales	1,049,200 million yen		

◎Data for employees (unconsolidated)

Number of employees	25,518 persons (including 20,976 non-regular employees)
Number of employees by attribute category	[Women] 6,948 persons (including 4,126 non-regular employees) Women's share of managerial jobs at 17.5%
Average service years for regular employees	Undisclosed

*Includes Recruit Holdings, 7 companies dealing in its core business, and 3 function companies

Background and goals of diversity management

Pioneer of information provider business, creating a new common sense of values

The former Recruit, founded in 1960 (official year of establishment was 1963), which was a pioneer in providing information about people and their lives, started by publishing a magazine for college graduates' employment information and expanded magazine fields regarding various life events such as job change, schools and marriage. Many new words, such as "*toraba-yu*" meaning changing a job, "*freeta*" permanent part-timer, and "*Shushoku Hyogaki*" hard time for job seekers who just graduated from colleges, which would eventually become commonly accepted, were coined through Recruit magazines. This fact made Recruit famous as a company to create new social trends and a common sense of values. In addition to an advanced corporate culture to constantly create new business, the company is known to have produced a number of excellent professionals, whose careers flourished even more in the new arena after leaving Recruit.

Currently, they do business in various fields including online information, temporary staffing, and education in addition to publishing. The organization was restructured into a new system with Recruit Holdings, and seven companies engaged in their core business and three function companies in October 2012.

Job opportunity and expected outcome regardless of gender

With its advanced corporate culture, Recruit has had many female workers who are actively engaged in their jobs with successful outcomes. Ms. Eiko Kono, for example, joined the company in 1969 and became CEO in 1997, taking over the founder and drastically cutting the budget to pay off a debt of 1.8 trillion yen by 2004. Ms. Mari Matsunaga joined Recruit in 1977, worked as the chief editor for "*Shushoku Journal*," a job information magazine for college graduates and "*Toraba-yu*," a job information magazine for women seeking new careers, transferred to NTT Mobile Communications Network Inc. (currently NTT Docomo Inc.) where she developed and brought success to the i-mode.

Recruit had produced many well-known successful professionals, and half of the new employees were women with high aspirations. Many of them, however, decided to leave the company when they got married or had a baby because their devotion to work deprived them of private time.

Be a company to advance women's successful careers

Since its foundation, Recruit has been an arena for not

only men but also women to exert their best capability, and advance women's successful careers. Times have changed, and now many other companies provide women with more opportunity to work to their full extent. Many of them have a system considering various life events to allow female workers not to give up their careers after marriage or maternity leave, which attract more female job seekers. This phenomenon has become more evident.

Another area where Recruit needs more human resources with diversified background is their ever-growing fields of business. Many of their business fields are directly connected to people's life events. These include ones for young people to go on to their next school or get a job, as well as a wider age group of people to change jobs, purchase a house or a car, or travel. In order to respond to the demands of such a wide range of life events and ages, Recruit needed not only young employees but also employees from various age groups. They used to be proud of the high ratio of employees with ambitions to leave ("graduate from") Recruit for their next goals, but as the demand for diversification and specialization of the business grew bigger, it became essential to have employees who could exert their competence in diversified situations and fields.

As a company that has kept creating a new common sense of values including women's empowerment, Recruit started pursuing new diversity promotion.

Specific measures for promoting diversity

Establish an organization to promote diversity, and support maintenance of "work-life balance"

In April 2006, the "Diversity Promotion Group" was established in the HR department to further address women's active careers. Setting the support of employees' "work-life balance" as a goal, they started enhancing the working environment, and the system allowing female workers to keep working after marriage and/or maternity leave.

First, they established an on-site daycare called "And's" in 2007 in addition to making a business contract with some babysitter agents in order to be able to provide flexible options for working mothers. The Telework system too was extended. Through these changes, the environment for working mothers was rapidly becoming more flexible and convenient. In 2008, the "Challenge Post" system was adopted. This is an inter-organizational system that takes place twice a year that offers employees, who especially have restrictions on their working hours due to child or family care, posts with reduced working hours and/or telework. Employees can apply for the post without

declaring to their superiors. Seeing working mothers in the company has become more common.

Support for “Advancing careers” following “Work-life balance support”

Support for “advancing careers” to assign more female workers to decision-making by the management started in 2010 in addition to the “Work-life balance” support mentioned earlier.

As one of the measures for the “Advancing career” effort, a “Women’s Leadership Program” for female executive candidates in their 30s to 40s has been held regularly. An opinion poll conducted at the company found that female workers tend to set their goals to acquire higher posts when they realize what they specifically achieve, while men seem to be constantly conscious about promotion. Based upon the results of the opinion poll and its analysis, the Women’s Leadership Program is designed for female workers to clearly realize “what they want to achieve.”

The program is given to 20 selected female workers. During the half year program held between June and December, there are four training sessions with an additional private meeting with a female executive director and coaching session given by female executive directors and Presidents of the group companies. At the last stage of the program, the participants give presentations to the management.

The program not only allowed participants to enhance their desire to become part of the management after recognizing “what they want to achieve,” but also the management to know what competence and potential the participants had. As a result of the first program held in 2010 with 20 female participants, two in October 2012 and another two in April 2013 became executive directors. There are more female executive candidates, and their active involvement in management has been highly expected.

Overview of Women’s Leadership Program

		Theme	Summary
1st session	Jun.	Recognize the challenges unique to women	(1) Session with external role models (2) Panel discussion by Recruit’s executive directors (3) Recognize one’s own challenges, analyze them, and develop measures with regard to “Necessary measures for R” to propose to the female executive director and other directors.
Private meeting		Start to draw one’s own vision	Discuss and examine what one wants to achieve
2nd session	Jul.	Put one’s own visions into words	(1) Think about the world in 2050. (2) Put each personal vision into words (with a partner) “What you want to achieve,” “what you want to cherish in your life then,” “your strength” and “items that should be addressed by the R group.” (3) Workshop to draw each vision
Coaching	Sep. to Nov.	Explore and identify one’s own vision	Discuss, examine and put the following into words with female executive directors and Presidents of the group companies: -What one wants to achieve (WILL) -What Recruit must address as a management challenge (MUST) -What are the actions and skills to realize the WILL and the MUST (CAN)
3rd session (additional)	Nov.	Develop	Develop “what measures are required for R” What one wants to change as a doer (*Additional programs are available depending on the participants’ request)
4th session	Dec.	Presentation about “WILL,” “MUST,” and “CAN.”	Give a presentation about each participant’s WILL, MUST and CAN to the executive directors of Recruit Holdings and Presidents of the group companies

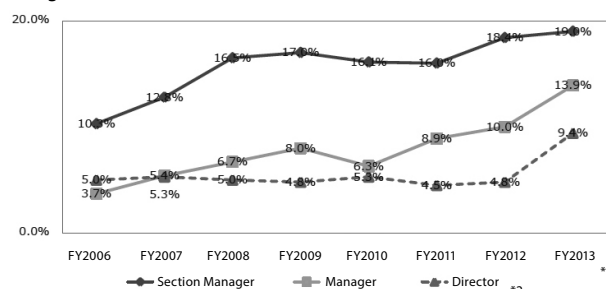
Publicly announce targets for advancing women’s careers

The management of Recruit started to feel there were favorable outcomes from their several years of efforts for women’s career promotion, which started in 2006. They thought further development was necessary.

Masumi Minegishi, President of Recruit Holdings, took office as President and CEO in April 2014. Mr. Minegishi, who once was the editor in chief of the Zexy magazine, knew a lot about the competence and potential of female employees, and had experience in facilitating the advance of women’s careers in other departments. Under the direction of Minegishi, Recruit publicly announced their target share of women in managerial posts in September 2012, namely, achieve a 10% or more share of female board members at major group companies of Recruit in Japan by April 2015. By publicly announcing this, the whole group is united even more in striving to achieve the goal.

As one of the processes involved in achieving the goal, Recruit released the female share of the group’s managerial posts (section managers and managers) in June 2013. As the figure below shows, the ratio of female managers has been gradually growing, and the efforts they have made seem to be effective.

Change in the female share of directors, managers and section managers from 2006 to 2013



*1: Until 2012: Recruit as a single company

2013 onward: A total of seven core business companies, three function companies and HD as of April each year

*2: Directors until 2012 are Recruit’s executive directors or higher ranks

2013 onward: Executive directors of each company including HD

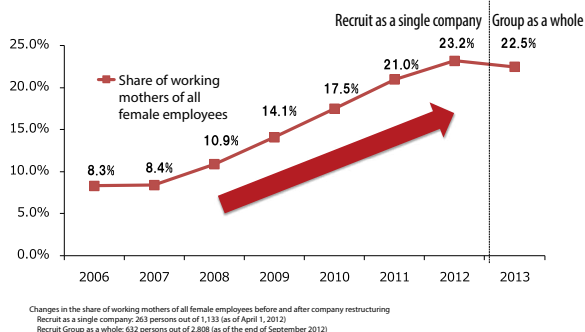
Managerial effects through promotion of diversity

The number of working mothers grew by three fold in six years

With several years of efforts for diversity promotion made by Recruit, more female workers keep working after their maternity leave, and the share of working mothers reached nearly 23.2% in 2012, three times 8.3% in 2006 when the efforts started. Now one in every four female workers is a working mother.

In April 2013, four new female executive directors were

Since the year when the measures to support work-life balance started, the number of working mothers has been growing. Changes in the share of working mothers of all female employees from 2006 to 2013



elected in the group companies, and now the whole group has eight female executive directors. As a result, the share of female directors grew to nearly 10%, from 6.3% in October 2012 to 9.4% in April 2013. The total number of female workers in managerial posts keeps growing as mentioned earlier, and its share was 17.5% as of April 2013.

A female manager who went on to a new life stage realized a revolution

Female managers who expand their own arena to exert their competence have contributed to maintain or innovate Recruit's brands. *Zexy*, a marriage information magazine, for instance, was one of the successful business cases realized by Recruit's female employees. As time passed, readers' life styles and ideas about marriage have changed too. In order to keep the frontrunner's position in the sector, *Zexy* needed innovation too.

Ms. A became the editor-in-chief of *Zexy* in 2006, but left the position for her maternity leave and childcare for two years from 2008. When she came back to the position in April 2010, she, as a mother of two twin boys, realized that *Zexy* too needed new perspectives.

Zexy's target readers are "women who dream of a happy marriage," and its core concept lay in "having a happy wedding." Now in a new life stage, Ms. A, who experienced getting married and becoming a mother, knows the reality that there is a new life after the happy wedding, and it is also just as important as the marriage itself. She then started thinking *Zexy* should not focus on "happiness in marriage" only, but rather consider wedding as the starting point for the life to come for the couple. Accordingly, *Zexy* changed its concept to become a magazine to provide useful information for brides to be, to prepare their wedding from the viewpoint of looking forward to life afterwards too. The types of novelties that come with the magazine have been changed to more practical ones such as fashionable kitchen gloves and rice scoops. The new *Zexy* has been well

accepted by the readers, and keeps its circulation as the best-selling wedding magazine amidst fierce competition which forces many competitors to discontinue their magazines.

Unlike before, Ms. A now tries to leave the office at a regular time, and shares the housework with her husband. With the improved working environment for advancing women's careers, more female managers who keep a work-life balance are now able to work more actively.

Through the "Challenge Post" system, a female researcher created the huge popularity of *Yuki Maji! 19*

Recruit Life Style, to which *Jaran*, a travel information magazine, belongs, has a research organization called Jaran Research Center. Five working mothers work there.

One of them is Ms. B, who was assigned to join this center as a researcher through the Challenge Post system in April 2008. Despite being an annual MVP winner, Ms. B explored a new working way that allowed her to work to the fullest extent while bringing up her children. After her acceptance of the post at the center she, while using the daycare and telework, was engaged in her project *Yuki Maji! 19*, and made it a big success.

Yuki Maji! 19 is a marketing project to stop the decrease in the number of vacation skiers, and encourage young people to use ski resorts. Ms. B came up with a strategy to give away free lift tickets to 19 year-olds, many of whom just entered college, to have their first fun experience of skiing.

As a result of her endeavor by visiting ski resorts throughout the country, 89 of them agreed to offer free lift tickets for the winter season from 2011 to 2012. The marketing was a big hit, and the number of 19 year-olds registered was as high as 49,290 (as of March 27, 2012), while the number of visitors to ski resorts through the *Yuki Maji! 19* campaign totaled 128,000. The following season, from 2012 to 2013, had 136 ski resorts participating in the campaign and 107,961 registered members, which accounts for a stunning 10% of the entire population of 19 year-olds in the nation.

This is an example of a product with a huge success brought about by a female worker with high aspirations, who is determined to keep working after her marriage and maternity leave. Despite inevitable time restrictions, her broader view thanks to her new experience in childcare and flexible conception was a great success.

By offering a place allowing aspirational people with ideas to keep working for a long period of time, new perspectives and conceptions are brought into the company, which has become their strong point. Recruit is a continually evolving company, and its efforts in diversity promotion will keep attracting more attention.

Corporate Name

Wholesale and retail trade

Large enterprise

Ikea Japan

The company's employees who are also working mothers proposed sales plans and consulting services to children's clinics on how to improve the comfort in the offices, which contributed to meeting the sales target by a 133% increase in sales in the corporation department.

Main points

- ▶ Management which puts households and families of customers and employees (co-workers) at the center.
- ▶ Ways of working based on each household and family matter, enhancing systems for days off and vacations, and flexibly setting the length of working hours and starting time for work.
- ▶ Systems which give consideration to childbirth and childcare.
- ▶ Independent human resources through recruitment and promotion of human resources with emphasis on "Ikea values," which are the philosophies of the enterprise, and a structure that promotes growth of co-workers. Independent co-workers assist others around them, and create a corporate culture in which working mothers can work comfortably.
- ▶ An environment in which working mothers can play an active role by establishing work-life balance support systems. The corporation sales department, where sales activities are conducted by working mothers utilizing their childcare experiences, achieved 133% of their sales target.

Data

◎Corporate profile

Year of foundation	July 2002 (Ikea's subsidiary in Japan) Foundation of Ikea: 1943	Capital	110 million yen
Head office address	5F, 2-3-30, Hamacho, Funabashi City, Chiba Prefecture		
Business outline	Retail trade of furniture, household items and miscellaneous goods		
Sales	67,381 million yen		

◎Data for employees (unconsolidated)

Number of employees	3,122 persons (including 1,966 non-regular employees)
Number of employees by attribute category	[Women] 1,965 persons (including 1,390 non-regular employees) Women's share of managerial jobs at 43%
Average service years for regular employees	6.3 years (6.5 years for men, 6.0 years for women)

Background and goals of diversity management

Born as a Japanese subsidiary of a global enterprise established in Sweden

Ikea Japan is a Japanese subsidiary of Ikea, a Swedish enterprise launched in 1943. Ikea offers stylish furniture, household items and miscellaneous goods at low cost, and currently manages 349 Ikea stores selling those goods in 42 countries. Approximately 775 million people in total use Ikea stores annually.

Ikea Japan, which was established in July 2002 and opened its first store in 2006, is operated according to universal values which Ikea emphasizes. With the vision, “to create a better everyday life for the many,” the enterprise pursues its business idea of “offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them.”

However, the center of the enterprise is people, not products. The term “people” here includes customers and employees, which the enterprise calls co-workers. The enterprise is also committed to the philosophies, “home is the most important place in the world” and “children are the most important people in the world,” and it cares about homes which co-workers live in and families who co-workers spend time with.

“Diversity is a source of Ikea’s values,” and “when co-workers grow, Ikea grows too”

Behind a business where people are at the center, there is a corporate vision that “diversity is a source of Ikea’s

values,” and “when co-workers grow, Ikea grows too.”

In Sweden, where Ikea, the parent company of the enterprise, was born, there are many immigrants among its small population, and from the beginning its society was made up of many different kinds of people coexisting together. By giving shapes to ideas, passions, and thoughts of various human resources, the country has continued to grow. Towards global marketing, Ikea thinks that it is necessary to match the composition ratio of employees with the structure of society in order to incorporate a good balance of diverse opinions.

Therefore, women employees account for 64%, and their share of manager posts is 43%. People who are from 21 different countries work at Ikea, and they account for 18% of manager posts. Ikea has encouraged growth of co-workers under conditions in which diversity of human resources is secured.

Taking action in accordance with Ikea values

With the growth of co-workers, philosophies the enterprise cares about are Ikea values. They are a kind of action guidelines for Ikea being Ikea, and for growing. Employees of Ikea always go back to Ikea values when they are unsure of what to do or when they have a disagreement with other co-workers. Conversations like “isn’t that different from Ikea values?” can be heard daily during discussions at the enterprise.

In these Ikea values, growth of co-workers is encouraged as well. For example, one of the values, “accept and delegate responsibility,” means that each employee takes responsibility for one’s work, and delegates work to other co-workers at the same time. In accordance with this value,

Ikea values (philosophies of Ikea)	
We believe that every individual has something valuable to offer, and we strive to have the same values in the way we work.	
Leadership by example	Our managers act according to Ikea values, create an atmosphere of well-being, and expect the same from co-workers.
Constant desire for renewal	We know that adapting to customer needs with innovative solutions contributes to a better everyday life at home.
Togetherness and enthusiasm	Together, we have the power to solve seemingly unsolvable problems. We do it all the time.
Cost-consciousness	Low prices are impossible without low costs, so we proudly achieve good results with small resources.
Striving to meet reality	We stay true to practical solutions to develop, improve and make decisions based on reality.
Humbleness and willpower	We respect each other, our customers and our suppliers. Using our willpower means we get things done.
Daring to be different	We question old solutions and, if we have a better idea, we are willing to change.
Accept and delegate responsibility	We promote co-workers with potential, and stimulate them to surpass their expectations.
Simplicity	We take an easy-going, straightforward approach when solving problems, dealing with people or facing challenges.
Constantly moving forward	We review what’s done today and ask what can be done better tomorrow, so we can find new ideas and inspiration.

managers of the enterprise leave responsible tasks to other co-workers on a daily basis. At the enterprise, there is a custom that all managers take about a three-week-long summer vacation in turn, and they are sometimes away from work for a family matter. However, responsible tasks are left to co-workers in line with the value and they can perform their duties as on-site persons in charge, therefore services do not stagnate. Since the enterprise values people, and its basic principle is “home is the most important place in the world,” taking vacations is normal, and a spirit of mutual assistance is created as well.

Furthermore, a system like this, in which co-workers help each other on a daily basis, helps working mothers to balance work with family and childcare.

Specific measures for promoting diversity

A system in which employees care about their households and families

In order to work while realizing the philosophies of “home is the most important place in the world” and “children are the most important people in the world,” a system in which employees care about their households and families exists at Ikea Japan, and respects co-workers to realize diversity.

First, the enterprise offers ample days off and holidays, and employees are encouraged to take 100% of annual paid holidays (70% of paid holidays were taken in reality, which is a high rate). Thus, it is not rare that one takes several weeks off or over a month off as a summer vacation.

Also, working hours can be set flexibly depending on each co-worker. Based on the length of working hours, there are three kinds of employment systems: part-timers, semi-full-timers (36 hours a week), and full-timers. Working hours can be adjusted depending on individual needs of co-workers.

Starting time for work varies as well. For example, a job preparing selling spaces and displaying products at the opening time of the store, of which the logistics division is in charge, starts from early in the morning. Especially at the logistics division, where work fluctuates greatly, employees have to start work from 1 a.m. or 2 a.m. when the amount of goods is large. However, there are some working mothers who work at such a time as they would like to get some work done before their children wake up.

Therefore, the length of working hours and starting time for work are important points for recruitment. At

job interviews, the enterprise tells applicants that “jobs are available for a period between (time) and (time),” and applicants who wish to work during such a period become candidates for recruitment.

Systems and culture that give consideration to childbirth and childcare

As seen above, the enterprise, which cares about co-workers and their households and families, considers that childbirth and childcare may be an advantage for co-workers, not a disadvantage. The enterprise would like employees to continue working for a long period of time after childbirth and childcare, while utilizing the experience obtained through these events. Thus, the enterprise offers generous support for childbirth and childcare.

At Ikea Japan, besides childcare leave, employees can obtain nine months’ leave in total before and after childbirth, and three months’ worth of salaries will be paid. The law states that, as a general rule, pre-childbirth leave is six weeks (14 weeks for multiple pregnancy), and post-childbirth leave is eight weeks, so it shows that the enterprise values childbirth and childcare as a company. In reality, many co-workers use most of their nine months’ leave before childbirth, and return to work without obtaining childcare leave. At the Funabashi store, a in-house daycare center called Dagis, which accepts children at 57 days old or older after mothers return to work from maternity leave, is available, and an environment in which childrearing mothers can work comfortably has been prepared.

Employees who actually have experienced childbirth and childcare say, “There were no disadvantages of giving birth. I liked Ikea a lot from the very beginning so I can be nicer to my children if I work instead of focusing on childcare only,” and “even if I get stressed out about childcare, I can switch my mood as soon as I come into work. By maintaining a balance between work and personal life, I can regulate my family’s life, and my children are less prone to sickness.”

Not only the systems mentioned above, but also a corporate culture supports childbirth and childcare. One of the women part-timers says that she cannot forget the words she heard from her immediate manager when she returned to work from childcare leave.

“It is no problem if you have to go home for your children leaving undone jobs as long as the jobs are taken over,” and “even if you have appointments with customers, if you can find somebody else who can take care of them, you can take days off.”

Now this woman part-timer feels that she would like to do the same thing as her manager did for her when co-workers around her were in the same situation as she was at that time. As just described, a corporate culture of mutual assistance exists at the enterprise, and this culture is a virtuous cycle encouraging female co-workers to return to work from childbirth and childcare.

Development of co-workers

Towards the development of co-workers which the enterprise positions as a driving force for expansion, characteristic efforts have been implemented. For example, the “self-development plan” is a system targeting all employees, including part-timers and student workers who work for short hours, and full-timers who are regular employees, that holds a one-to-one meeting twice a year with an employee’s immediate manager for over 60 to 90 minutes each time.

The topic for this meeting is not expectations or assessments for the employees’ work, but how to grow and what kind of life they would like to live through working at Ikea. Even if employees plan to leave the enterprise in the future, with this meeting, the enterprise provides support for co-workers to become independent and to grow as a professional through discussing what kind of accomplishments and experience they should have at this point as regards their career visions.

In addition, for people to grow and become independent, the enterprise considers that it is important to tell people that they and their growth are required by accepting and praising them. Thus, establishing a trusting relationship which gives self-responsibility as well as accepting and praising achievements are positioned as part of the support for growth of co-workers as well.

The biggest point for recruitment of co-workers is whether or not he or she is a human resource who can share Ikea values, and that means whether or not he or she is a human resource who possesses the quality of realizing “leadership by example,” and “accepts and delegates responsibility” as listed in Ikea values. Obtaining and developing human resources like this is shaping a corporate culture in which diverse human resources in various conditions, including working mothers, can continue to fully exercise their potential.

Managerial effects through promotion of diversity

Working mothers’ proposal-based sales activities contributed to achieving 133% of the sales target of the corporation sales department

As a result of promoting systems that allow ways of working which give consideration to families, working mothers made a great achievement. At the corporation sales department, “Ikea Business,” women employees who returned to work from childcare leave proposed products through utilizing their experience as housewives and mothers, and led the department to achieve 133% of their sales target.

The corporation sales department conducts sales activities targeting a wide range of companies, and working mothers are in charge of clients like children’s clinics and daycare centers. When new children’s clinics and daycare centers open, the department receives requests like “we want to have Ikea’s furniture” from their clients, and the department handles consulting and proposals. During consulting, working mothers can naturally offer proposals from a mother’s perspective. For example, their suggestions were, “it would be more friendly if there were pictures in the bathrooms,” and “furniture with sharp edges at this height may be dangerous for children.” Proposals based on real experience like these are realistic, and they are easier to accept for clients.

Many working mothers, who take childbirth or childcare leave, work at the corporation sales department, and the manager of the department is also a working mother. Therefore, they perform their duties with a limited number of staff members, and attain management goals by raising unit prices, and making proposals that meet customers’ needs instead of expanding their business quantitatively by developing new customers. The achievement of 133% of the sales target did not result from an increase in the number of clients; it was result of an increase in purchase price per client through carefully responding to clients’ diverse needs.

Reference information



Exterior of store

Corporate Name

Wholesale and retail trade

Large enterprise

Takashimaya Co., Ltd.

A female senior manager proposed a new sales method, which was unconventional to the department industry, and this method helped swell sales by three times.

Main points

- ▶ Aiming to develop a workplace where women can work for a long period of time, introducing a flexible working system in which employees can choose their work shifts from eight patterns.
- ▶ Starting a "10-year development program beginning with employment," and promoting development of human resources by clearly showing steps to careers in managerial posts, such as managers and buyers.
- ▶ Strengthening measures to improve female employee motivation.
- ▶ As a result of efforts, successfully establishing a workplace where female employees can continue working even after experiencing life events.
- ▶ Compared with approximately 20 years ago, women's service years have more than tripled, and women's share of management leadership positions, including managerial jobs and posts higher than division head, is expanding.
- ▶ A female senior manager proposing a new sales method, which was unconventional to the department industry, helping to increasing sales by three times.
- ▶ Growth of private brand shops reflecting women's sensibility and suggestions.

Data

◎Corporate profile

Year of foundation	1919	Capital	56,025 million yen
Head office address	5-1-5, Namba, Chuo-ku, Osaka City, Osaka Prefecture		
Business outline	Department store business		
Sales	680,255 million yen (to February 2013)		

◎Data for employees (unconsolidated)

Number of employees	10,276 persons (including 5,103 non-regular employees)
Number of employees by attribute category	[Women] 7,010 persons (including 4,296 non-regular employees) Women's share of managerial jobs higher than section chief at 22.2%
Average service years for regular employees	Total 22.5 years (23.2 years for men, 21.9 years for women)

Background and goals of diversity management

A long-established, large-sized department store where women can fully exercise their potential

Takashimaya is a department store whose headquarters is located in Osaka City, Osaka Prefecture. As a long-established leading department store, the company develops many large-sized stores located in hubs of major cities, such as the Nihombashi, Shinjuku, Yokohama, Osaka, and Kyoto stores, and as Takashimaya Group, it owns twenty domestic stores and three overseas stores.

Currently, the total number of employees is 10,276 (the number of regular employees is 5,173) and the number of female employees is 7,010 (the number of regular employees is 2,714), and many female employees support workplaces. Women account for 80% of Takashimaya's customers and employees who serve customers at stores are mainly women.

The company has a tradition of women fully exercising their potential since its foundation. Ichiko Ishihara, who became the executive director in 1981 (entered the company in 1952), was the first female executive of companies listed in the first section of the Tokyo Stock Exchange, and the first female member of Keizai Doyukai (Japan Association of Corporate Executives) as well. From November to December of 2012, Ishihara's achievements were serialized in articles of the *Yomiuri Shimbun* as "*Jidai No Shogensha – Josei Juyaku, Ichiko Ishihara (A Witness of the Era – Female Executive, Ichiko Ishihara)*" and her achievements are publicly known.

In September 2013, Miharu Koezuka (entered the company in 1979) assumed the post of senior executive director (representative director). Koezuka left the company in 1985 once for a family matter, however, a re-employment system was established the following year, and she was hired again in 1987 as the first employee who was hired through the system. Takashimaya, a company in which women have been playing an active role since the early days of its foundation and which is still supported by female employees, is positioned as an advanced company where women can succeed.

Aiming to develop a company where women can work for a long period of time

Since the early days of Takashimaya's foundation, female employees had been playing an active role, but the company was facing a big challenge in the long-term success of women. As of 1991, the average length of service of female employees was 6.2 years, and their leaving rate exceeded 10%. The principal reasons for leaving the company were marriage, childbirth, and childcare.

To realize a workplace where women can work comfortably, other companies sometimes introduce a work-at-home system and other ways of working. However, face-to-face selling is fundamental for department stores, so the constraints of going to work during business hours, during which

customers come to the stores, cannot be removed. Therefore, an advanced working system for employees with children, a system where employees can shorten and flexibly change working hours, was introduced in 1991 in order to provide a workplace where women, who have difficulty working for long hours due to housework and childcare, can continue to succeed for a long period of time without leaving the company, even at Takashimaya which has constraints.

Specific measures for promoting diversity

A flexible working system for employees with children in which employees can choose their work shifts from eight patterns

Shifts are used as a scheduling system at the company, and shifts vary depending on the stores. The early shift starts at 9:50 a.m. (10 minutes before the opening time of 10 a.m.), and ends at 6:55 p.m. (as of February 2014 at the Nihombashi store). Since both the starting and finishing times of the shift are later than regular companies' (9 a.m. to 5 p.m.), the company received opinions from female employees that it is difficult to drop off and pick up children at daycare centers. Therefore, based on various requests from female employees, a working system for employees with children (shorter working hours) was introduced. The company prepared a variety of options because commuting time, as well as drop-off and pickup times, vary depending on individuals.

Two options were available in the working system for employees with children, which were introduced in 1991. Childcare Work Shift A shortens working hours in the daytime to five, the number of days off remains the same as a regular work shift, and salaries and bonuses are reduced based on working hours. On the other hand, the daytime working hours of Childcare Work Shift B are 6 hours and 45 minutes, shorter than a regular work shift; however, Childcare Work Shift B allows employees to maintain the same salaries and bonuses as a regular work shift by reducing the number of days off.

In addition, Childcare Work Shift C was introduced in 1994. Daytime working hours are 6 hours and 45 minutes, shorter than a regular work shift, and employees can obtain the same number of days off as the regular work shift. However,

Patterns of Childcare Work Shifts (shorter working hours) for regular employees

	Childcare Work Shift A	Childcare Work Shift B	Childcare Work Shift C	Childcare Work Shift D	Childcare Work Shift E
Year introduced	January 1991	January 1991	September 1994	January 2003	January 2003
Daytime working hours	5 hours	6 hours and 45 minutes	6 hours and 45 minutes	6 hours	7 hours and 35 minutes
Number of days off	122 (same as regular shift workers)	92	122 (same as regular shift workers)	122 (same as regular shift workers)	122 (same as regular shift workers)
Annual working hours	1,215 (1,220 in a leap year)	1,841 (same as regular shift workers)	1,640 hours and 15 minutes	1,458	1,841 (same as regular shift workers)
Salaries	Based on actual working hours	Same amount as regular shift workers	Based on actual working hours	Based on actual working hours	Same amount as regular shift workers
	Childcare Work Shift F-a		Childcare Work Shift F-c	Childcare Work Shift F-d	
Year introduced	September 2013		September 2013	September 2013	
Daytime working hours	5		6 hours and 45 minutes	6	
	*For F-a, F-c, and F-d, scheduled daytime working hours are 7 hours and 35 minutes.				
Number of days off	122 (same as regular shift workers)		122 (same as regular shift workers)	122 (same as regular shift workers)	
Salaries	Based on actual working hours		Based on actual working hours	Based on actual working hours	

employees with Childcare Work Shift C receive less salaries and bonuses as they work fewer hours.

In 2003, Childcare Work Shifts D and E were introduced. Daytime working hours for Childcare Work Shift D are 6 hours, which is between Work Shifts A and C. As for Childcare Work Shift E, since its starting and finishing times are fixed to a basic pattern of 9:50 a.m. through 6:25 p.m. (as of February 2014), employees do not have to work on late shifts, requiring them to stay until the closing time of the store, so drop-off and pickup of children become easier.

Starting from September 2013, more new options were added to work shifts. Since department stores use work shifts, employees sometimes have to work on weekends and holidays. However, it is not necessary for employees to shorten their working hours when their spouses are at home on weekends and holidays. With these new options, employees can work as usual without shortening working hours during the day depending on their childcare situation at home. Although these new options were just introduced in September 2013, they were well received, and approximately 70 employees use the systems as of December 2013.

As of April 2013, approximately 400 female regular employees use Childcare Work Shifts, and approximately 80 non-regular, fixed-term female employees use Childcare Work Shifts. By looking at the current status of Childcare Work Shifts, Childcare Work Shift A with 5 daytime working hours is most used by employees. Then Childcare Work Shift D, with a six-hour work schedule, and Childcare Work Shift C, with a 6-hour-and-45-minutes work schedule, follow. Thanks to a variety of options for work shifts prepared by the company, female employees, who would like to limit their working hours due to childcare, can choose flexible ways of working based on family matters and individual wishes.

Strengthening a work-life balance support system, as well as developing and implementing action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children

Since fiscal 2001, Takashimaya started implementing measures aiming to become a gender-equal company, and has strengthened a work-life balance support system with revision of personnel management systems, which was introduced after fiscal year 2005. In addition, since April 1 in 2005, the company created and implemented action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children, every two years.

The company works on raising employees' awareness about diversity through workshops on work-life balance, which are held based on action plans, and it also keeps employees thoroughly informed about the importance of diversity in both regular training for employees, and guidance for employees returning to work after childcare leave.

Introducing a "10-year development program beginning with employment," and clearly showing steps to careers in managerial posts

Since fiscal 2009, the company introduced a "10-year development program beginning with employment" for new

employees, and it established specific goals and development programs for each year. With this program, the company promotes development of human resources in the roles of managers and buyers, and presents visualizations of steps to careers in these jobs. Also, employees can take promotional exams once they meet criteria years for their current rank. Therefore, as soon as they start their career, employees can plan career development while considering the timing of marriage and childbirth. At the earliest, promotional exams for a senior staff member can be taken three years after entering the company, promotional exams for a subsection chief can be taken six years after entering the company, promotional exams for a section chief can be taken nine years after entering the company, and promotional exams for a deputy general manager can be taken 14 years after entering the company.

Strengthening measures to improve female employee motivation

As for utilization of female employees, Takashimaya is setting out and working on a policy which further encourages promoting women to management leaders higher than division head. Currently, women's share of managerial jobs higher than section chief is 22.2%, and considering female regular employees account for about half the employees of the entire company, the number of women in managerial posts is low. Therefore, as a measure for developing mid-level female employees who have potential to succeed as management leaders, in 2013, the company newly established training for developing female managers and supervisors. This training aims to improve the motivation of female employees in subsection chief and section chief positions, and its effects were confirmed, so the training is scheduled to be held next year as well. The company is strengthening measures for improving women's share of major duties in the coming years as well.

Managerial effects through promotion of diversity

Achieving 1% of leaving rate for women through creating workplaces where women can continue to work after experiencing life events

Until around 1990, Takashimaya did not have systems allowing women, who have experienced marriage, childbirth, and childcare, to continue to work comfortably for a long period of time, and the leaving rate for female regular employees exceeded 10%. However, thanks to introduction and revision of the work-life balance system including Childcare Work Shifts, the ratio for female employees who chose to remain at the company has dramatically increased. As of 1991, the average length of service for female regular employees was 6.2 years, and their average age was 26.3, but as of 2013, the average length of service for female workers increased to 21.9 years, and their average age exceeds 40. The leaving rate dropped to 1%, and data shows that the company has become a workplace where women can play an active role for a long period of time. Now there are almost no female employees who leave the company due to life events, such as marriage, childbirth, and childcare.

Expanding women's share of managerial jobs and business leaders as well

The company actively promotes and positions women to managerial jobs and business leaders as well. Women's share of managerial positions increased from 25.2% in 2009 to 28.0% in 2013, and their share of buyer positions increased from 32.8% in 2009 to 38.1% in 2013. Women's share of managerial posts higher than section chief reached 22.2%, and the number of female workers in posts higher than division head (excluding directors) reached 23 (12.4%).

The number of female directors has been gradually increasing too. As introduced at the beginning of this article, Koezuka, who successfully turned the profits of the Okayama store into positive figures, became a female representative director in September 2013. Also, there is one female worker who serves as a full-time executive officer, and one who serves as president of a subsidiary of Takashimaya.

Changes in ratio of female regular employees

	2009	2010	2011	2012	2013
Managers	25.2%	26.7%	24.4%	24.2%	28.0%
Buyers	32.8%	33.5%	34.5%	38.9%	38.1%
Managerial jobs higher than subsection chief	30.6%	32.9%	35.4%	38.4%	39.9%
Total	47.3%	48.3%	49.9%	52.2%	52.8%

A female senior manager proposing a new sales method, which was unconventional to the department industry, and helping to increase sales by three times

Successful female managers at the company have produced steady achievements. One example is realizing an increase in sales by three times at "cashmere collection," a fair held at the Nihombashi store.

Takashimaya designs and sells clothing with white cashmere at affordable prices of less than 10,000 yen. There are approximately 300 kinds of clothing in 18 colors, four types (sweaters, cardigans, and others) and four sizes, and they were sold at 18 stores in total in the fall.

Sales of the Nihombashi store of 2012 were approximately 3,000 items, and this achievement was smaller than at other stores'. Since the number of customers visiting the Nihombashi store every day is approximately 28,000, it was inevitable that, compared with very-large-sized stores, such as the Yokohama store where approximately 84,000 people visit every day, the Nihombashi store's sales volume was smaller.

However, for a three-week selling period that started on October 30 in 2013, a female senior manager at the Nihombashi store introduced a new sales method which was unconventional to the store. The Nihombashi store has a long history, and many affluent individuals visit the store. Thus, selling spaces put much value on luxury, and beautifully displaying products on shelves was the rule there. But the

Selling spaces of "cashmere collection" at the Nihombashi store in 2013



female senior manager mentioned above used a method where a counter is set in an eye-catching space from the entrance, and displays as many products as possible without losing high-end feel. As a result, the Nihombashi store increased sales of 2012 by three times, and made a record by becoming the top store in sales among all the stores, even overtaking the Yokohama store.

A characteristic of the Nihombashi store is that it has a great number of affluent customers. Therefore, increasing the number of items purchased by per customer is effective for increasing the number of items sold. Then, the female senior manager came up with a method of displaying as many as items possible. If products at affordable prices are displayed, consumers tend to buy those in different colors as well. This strategy, focusing on customers' psychology, is a method only the senior manager was able to think of, because she is also a woman who has similar experience in her daily life.

To realize this sales method, it was necessary to persuade the female senior manager's boss who was hesitant about the possibility of losing luxury feel, but in the end the boss was convinced by the willingness of the senior manager who was confident in this method, leading to an increase in sales based on everyday experience as a woman. As a result, the Nihombashi store made unexpected achievements with an average number of purchase items per person of 2.5, and it became the top store in sales among all stores with tripling of sales compared to the previous year. Successful female managers at the company are now creating innovations which develop new sales methods, changing traditional rules and history.

Growth of private brand shops reflecting women's sensibility and suggestions

With the increase in women fully exercising their potential at the company, Takashimaya's original brands, which are popular among career-minded women, are expected to grow in the near future.

One of Takashimaya's brands, ExcellentClassée, launched in the fall of 2012 as a shop offering styles of suits for working women. The brand reflected the opinion of career-minded women that, unlike suits for men, there are less high-end brands for women's suits, so options are limited. The brand's high-quality, made-in-Japan suits with selected materials are well received by those female customers.

Furthermore, Style & Edit launched in 2006 is a specialty boutique for women with a high sense of fashion. With the trend in casual clothing, the brand keeps growing with a double-digit increase in recent years through receiving support from career-minded women who enjoy fashion while they are at work as well.

Since the number of women who develop their career while fully exercising their potential at the company has increased, the opinions of women who play an active role in society are better reflected.

For Takashimaya, since products for female customers have a major impact on its business results, career development for women is an important issue, which affects the company's competitiveness. It is expected that women's further successes as human resources will lead innovation which overturns the traditional rules and history of the company.

Corporate Name

Finance and insurance

Large enterprise

Tokio Marine & Nichido Fire Insurance Co., Ltd.

Female employees' proactive and expanded involvement in sales and promotion activities has been essential in producing strong results. They have also been instrumental in driving innovation in the company and have created key new hit products such as 'Choinori' (single day car insurance).

Main points

- ▶ In the prior property and casualty insurance industry, the typical image was that women are clerical workers in general office positions.
- ▶ With the aim of improving employees' job satisfaction and challenges, the personnel management system was revised in 2004. General employment positions were abolished and area-based positions, which make it unnecessary to move when transferred, were newly created. The new posts opened up possibilities of career development for all female employees equally.
- ▶ U-turn transfers and I-turn transfers have become available where employees in area-based positions, who do not have to transfer, can actively transfer by their own request and can build careers.
- ▶ Thanks to reform of business operations, the business process was streamlined significantly, and it realized a "roles revolution" where female employees who used to perform clerical work came to take a role as sales staff on the front line.
- ▶ The "roles revolution" for women has been promoted by a variety of supporting measures, such as on-the-job training.
- ▶ Female sales staff played an active role and significantly contributed to strong business performance.
- ▶ "Choinori Hoken" (single-day auto insurance) and "Karada no Kimochi" (an app with medical coverage for women), which reflected female employees' ideas, became a big hit.

Data

◎Corporate profile

Year of foundation	1879	Capital	101,900 million yen
Head office address	1-2-1, Marunouchi, Chiyoda-ku, Tokyo		
Business outline	Finance and insurance		
Sales	1.8696 trillion yen (net premium income)		

◎Data for employees (unconsolidated)

Number of employees	19,518 persons (including 1,801 non-regular employees)
Number of employees by attribute category	[Women] 9,473 persons (including 1,140 non-regular employees) Women's share of managerial jobs at 4.5%
Average service years for regular employees	Total 12.5 years (14.0 years for men, 10.8 years for women)

Background and goals of diversity management

The insurance industry was rocked by a big wave of change

Since the mid-1990s, the insurance industry has changed largely due to liberalization. The Insurance Business Act was revised in 1996, making it possible to get life insurance as well as property and casualty insurance, and the revision of Insurance Business Act made in 2000 lifted a ban on selling insurance at banks. As a result of these relaxations of regulations, competition was intensified in the property and casualty insurance industry, and reorganization of the industry through mergers started in 2001. Then in October 2004, Tokio Marine & Fire Insurance Co., Ltd. and Nichido Fire and Marine Insurance Co., Ltd. merged, and established Tokio Marine & Nichido Fire Insurance Co., Ltd., which became the core of the Tokio Marine Group.

In the insurance industry, reorganization had continued after that, and established a system consisting of three large-scale property and casualty insurance groups, which account for an approximately 90% share of the property and casualty industry (premium income). With the creation of these major groups, competition in the insurance industry has intensified more than ever.

Currently, the number of employees of Tokio Marine & Nichido Fire Insurance is approximately 18,000, and approximately 8,500, which is about half of 18,000, are female. To allow the enterprise to continue growing in the property and casualty industry, in which competition has been increasing, it was a challenge to bring out the abilities of women who account for about half the total number of employees. Growth of the enterprise will not be realized without the success of women. With such recognition, measures for women's success have started at the enterprise.

In the property and casualty insurance industry, the stereotype was that women are clerical workers in general office positions

Although both life insurance and property and casualty insurance are in the same insurance industry, the roles of female employees varied greatly between these two types of insurance. In the life insurance industry, female sales staff, called "Seiho Ladies," have traditionally played a major role in sales of life insurances. On the other hand, agency systems were adopted in the property and casualty insurance industry, so the persons in charge of sales, who support agencies, were mainly men. Therefore, in the traditional property and casualty insurance industry, most of the women were staff members who support office work.

The positions of female employees mentioned above were reflected in the office organization of property and casualty insurance companies as well. In 2004, Tokio Marine & Fire Insurance, which had not yet merged, divided the office organization of employees into career-track positions and general office positions. Many employees who were in main

career track positions were men, and general office employees were mostly women. The range of work for general office employees was limited, and they were free from burdens like transfers requiring moving. However, they were not included in candidates for promotion to posts higher than section chief, and their possibilities for success were limited.

President Nagano of the enterprise values the "Three Ks" - "*kitai* (expectation)," "*kitaeru* (training)," and "*katsuyaku* (success)," meaning expecting and training women to achieve success. He says that Japanese companies are especially poor at having expectations for women and that attitude often hampers women's success, so it is important that companies have higher expectations for women and train them more. The expectations of the enterprise showed in the active roles of female employees, such as the rapid increase in female sales staff and appearance of the first female director from an area-based position, in a short period of time, which was only a few years since measures started.

Specific measures for promoting diversity

Offering all employees equal possibilities by revision of personnel management system

The traditional personnel management system, which limited the possibilities of success by office organization, was greatly revised in 2004. Classification of career-track positions and general office positions as previously described was abolished, and new nationwide positions and area-based positions were created. Since these positions were based on a role ranking system, both nationwide and area-based positions play a role according to the principle of "same rank, same role," and so there is no difference in content of work or scope of responsibilities between these two positions. The only difference is whether or not employees transfer. While employees in nationwide positions have possibilities to be transferred regardless of whether to domestic or overseas posts, the same as for career-track positions, employees in area-based positions would not be transferred if it required moving without their consent. Thanks to this revision of the system, possibilities were opened up that many female employees, who had been exercising their potential as general office employees, can play active roles as management leaders or directors while choosing the option not to make a transfer that requires moving.

Starting a Job Request System (U-turn transfers and I-turn transfers) in which area-based employees can transfer proactively

A Job Request System (U-turn transfers and I-turn transfers) started in 2004. This system allows employees, even if they chose area-based positions, to be transferred voluntarily to a different area when they are willing to be transferred, or when transfer is necessary. This system was proposed by a female employee who became the first executive director of the enterprise from an area-based position in June 2013,

when she was in the personnel planning department. Through her own experience of working in multiple locations, she thought that experiencing different jobs in different environments broadens a female employees' view and range of work, and it is very effective to promote their growth. Based on these ideas, a system in which area-based employees can also gain various types of experience depending on their preference, was established.

U-turn transfer is a system in which employees work in another area for a certain period of time and gain experience, then return to their original place. I-turn transfer is a system in which, by moving due to marriage or a spouse's transfer, employees can change their working area if there are available positions. As examples of U-turn transfers, there are area-based employees who take on the challenge of working overseas, and there are female employees who are currently playing active roles in offices in Singapore, New York, and India.

Female employees who gained various experience with the system and returned to their original place of work, have remarkably matured, and not only the employees themselves but also employees around them felt the difference. This result came to be widely known, so use of the Job Request System (U-turn transfers and I-turn transfers) gradually expanded, and over 500 employees have now used the system since it began. The system, which allows employees to broaden their own experience depending on their preference, offers area-based female employees with high-level capabilities and motivation, opportunities for growth and success.

Reform of business operations making a "roles revolution" for women possible

The liberalization of the insurance industry in the 1990s mentioned earlier brought intensification of the competitive environment, made clerical work and the processing system complex due to an increase in products, and increased the burden on persons in charge of clerical work as well. The enterprise started to review these complex office work processes in 2004 on a company-wide basis. From 2005 to 2008, a project for reforming business operations, which extensively and fundamentally reviews insurance products, clerical work, and the system processing such work, was implemented.

With this project, office work processes and processing systems in the enterprise were significantly streamlined, and the burden of female employees who are in charge of clerical work was eased. In addition, opportunities to engage in new duties, such as making suggestions for improvement of clerical work and supporting sales staff, were given to female clerical workers. The enterprise called this, a "roles revolution."

Support systems for women's "roles revolution"

To promote the "roles revolution," the enterprise strengthened support systems for female employees as well. In 1988, the Advisory Staff (AS) network was

established as an organization which plays a role in the training of female clerical workers. As of December 2013, 134 people at 122 sales offices are selected as AS, and they exchange information at an AS plenary meeting held twice a year. The AS network played a major role in familiarizing employees with new office work processes, and generalized the processes after reform of business operations.

Furthermore, in 2010, the enterprise established the Advisory Staff Total Communication (AST) network which plays the role of an organization for training female employees in charge of sales. 18 employees are selected as AST nationwide, and they exchange and share information at a monthly AST meeting.

The AS and AST networks provide consultation services for female employees as well. They deal with problems of female workers, as well as plan and conduct a variety of training. The networks also give advice to supervisors who work with female employees about female workers' challenges and solutions, and how to train female workers.

Measures for supporting the women's "roles revolution" have achieved results on their own, and they are also valuable opportunities to acquire management skills for members of the AS and AST, who are in charge of these measures. These efforts have had a great impact on development of next-generation female leaders as well.

Managerial effects through promotion of diversity

Expansion and success of female sales staff also contributed to strong business performance

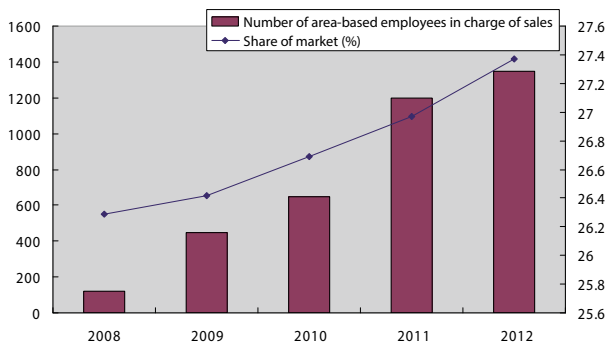
Thanks to the personnel management system which was revised in 2004, great possibilities for female employees were opened up. In addition, with the "roles revolution" that started in 2008, area-based female workers, who were in general office positions, became employees in charge of sales. As a result of these changes, the number of area-based female sales staff members expanded from approximately 100 in 2008 to approximately 1,350 in 2012, more than a 10-fold increase in 5 years.

Furthermore, the enterprise has successfully continued to expand its market share over the past few years, and achieved the highest rate of improvement of market share in the industry two years in a row, 2011 and 2012. It shows that the success of female employees in charge of sales at the enterprise significantly contributed to maintain its strong business performance as well.

Among female employees, the number of human resources in positions of department manager and section chief increased from 8 in 2004 to 145, increasing by approximately 18 times. This figure of 145 includes 7 female employees in department manager positions and 8 female employees in deputy manager positions, and the women's share of managerial jobs reached 4.5%. In 2012, a female employee in a nationwide position became the first female

director and in 2013, a female employee in an area-based position also became the first female director. Including one female outside auditor, there are three female directors at the enterprise.

Expansion of the number of female sales staff in area-based positions, and growth in share of market



With the success of female sales staff, realizing expansion of achievements on site

The enterprise's female employees in charge of sales, who have been flourishing and whose numbers have been rapidly increasing, have significantly contributed to expansion of achievements on site. For example, a female employee in charge of sales in Development Team I at the Tokyo Shintoshin Branch, when she is consulted by corporate businesses concerned about their current insurance plans, conducts sales activities from the customer's perspective, such as investigating property by herself, proposing products meeting customers' needs, and providing fire risk diagnosis services. Thanks to this effort, she earned the trust of customers, and even received a thank-you note for her careful responses.

Another female sales staff member conducts sales activities while keeping the protection of customers in mind. For example, she attends meetings in which on-site persons from manufacturing companies get together, and holds meetings to explain the insurance coverage they currently have. She points out risks during the meeting, and gives a presentation on products covering those risks.

As described above, willingness to fully protect customers and careful responses led to a great number of new contracts, achieving remarkable success.

"Choinori Hoken" (single-day auto insurance), in which female employees' ideas were reflected, became a big hit with young people

Fields where female employees can fully exercise their potential have expanded into sales and product planning too. The following is an example in which women contributed to creation of a major hit product.

It is a big concern for the property and casualty insurance industry that young people are less interested in owning automobiles. Since young people, who do not have automobiles, do not buy insurance, they are less likely to become customers. However, it is said that there are seven million drivers who do not own cars - for example,

they drive cars borrowed from others. According to the enterprise's statistics, it is estimated that over 100,000 uninsured driving accidents occur annually.

In such a situation, young employees in the product development department teamed up, and held a product planning competition. What drew attention in the competition was a concept proposed by female employees, whereby insurance can be used easily by young people like a convenience store. For young people, the procedure of buying insurance seems troublesome, and they also have a strong impression that insurance fees are high. As a product for overturning such an impression, convenience-focused "Choinori Hoken" (single-day auto insurance) was planned.

Applications for "Choinori Hoken" can be easily made from mobile phones and smartphones, and no kind of complicated procedure whatsoever is required. The usage fee starts at 500 yen a day, so people can buy insurance easily when they think of it.

This insurance started selling in January 2012 and by December 2013, it achieved results of 300,000 new registrations and 650,000 usages. 90% of users are young people in their late teens to their twenties. Young people who have used this insurance are more likely to be users of the enterprise's auto insurance when they purchase their own cars; therefore, the success of "Choinori Hoken" has great significance as regards the strategy of getting new customers as well.

Auto insurance which you can buy **per day** for covering accidents when driving your parents' or friends' cars

- Insurance fee starts at 500 yen a day*
- Applications can be made from a mobile phone at any time
- The more you use, the more discounts you get


Choinori Hoken Single-day auto insurance

*Plans without vehicle coverage

Female members supporting development of an app with medical coverage for women

To make insurance something that women can relate to, at the initiative of female members, the enterprise implemented development support of an app called, "Karada no Kimochi," which is provided by Docomo Healthcare, Inc. With this app, users can track their daily temperature easily with a monthly fee of 300 yen (excluding tax), and it enables women to prevent gynecological diseases and to find diseases at an early stage. The services of this app come with medical coverage; when users make visits to gynecologists or breast oncologists, a consolatory payment for women's disease (5,000 yen) is made, and when users take thorough exams, a consolatory payment for a thorough exam (30,000 yen) is made.

Although "Karada no Kimochi" just started its services in June 2013, it is already a big hit product which acquired 250,000 users by October 2013. It is estimated that it will have 500,000 users by March 2014, and is expected to grow further as a major hit product.



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