

Press Release

March 17, 2014

Actively utilizing women workers' abilities for management and product innovation, Hikari Kikai Seisakusho received the "Encouragement Award of the First Empowerment Grand Prize."

Hikari Kikai Seisakusho was also selected for the "Diversity Management Selection 100" of the Ministry of Economy, Trade and Industry.

Hikari Kikai Seisakusho Co., Ltd., a manufacturer of dedicated machine tools (Head Office at Tsu, Mie; Representative Director and President: Keiko Nishioka) has received an Encouragement Award of the First Empowerment Grand Prize held by the Japan Productivity Center, a non-profit incorporated foundation and also has been selected for the Fiscal 2013 Diversity Management Selection 100" of the Ministry of Economy, Trade and Industry (METI). In both cases, we have received recognition for our human resource development which is based on ability and motivation rather than on gender and takes advantage of differences and special characteristics as well as for our right-person-in-the-right-place utilization of human resources.

The "Empowerment Grand Prize" has been newly established in this fiscal year by the Japan Productivity Center, a non-profit incorporated foundation. It is intended to recognize organizations which conduct unique and ingenious activities with a view to proactively utilizing women's abilities for enhanced productivity of organization. Hikari Kikai Seisakusho received the award on February 25 together with the Excellence Award winners of Procter & Gamble and Seven & i Holdings, and the Encouragement Award winners of Tottori University Hospital and Toyota Finance Corporation.

Hikari Kikai Seisakusho was also selected for the "Fiscal 2013 Diversity Management Selection 100" by METI on March 3. In diversity management, each individual exerts abilities regardless of gender, nationality, age or disabilities and participates in innovation and value creation. As the importance of such diversity management is increasing, this award selects and recognizes about 100 enterprises in total, which are engaged in forward-thinking activities so as to turn diversity promotion into management achievements. The award started in the last fiscal year when 43 enterprises were recognized and in this fiscal year 46 enterprises including Hikari Kikai Seisakusho were recognized.

(Winners and their activities are introduced at <http://www.diversity100sen.go.jp/practice/index.html>)

Both award organizers cited specific reasons. In the machinery manufacturing industry where utilization of women had been relatively behind the curve, Hikari Kikai Seisakusho not only expanded the job scope for women but also decisively assigned many women to the product development area to introduce new viewpoints to achieve product innovation. Also, Hikari Kikai Seisakusho took advantage of women characteristics for production control, resulting in a heightened prompt delivery rate (an indicator of swiftness and reliability to respond to customer needs) and substantially increased profits. (Examples of our activities and voices of our employees are presented in the next page.)

Hikari Kikai Seisakusho started its aggressive recruitment and utilization of women in 2001 and has expanded the ratio of women from approx. 10% to almost 30%. Also, the job scope which was limited to desk jobs has now expanded to include design, development and manufacturing shop floor. Further, many women take on managerial positions or highly-specialized work and act as successful leader-level workers in each workplace.

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In the current mid-term management plan, with “3G!, Generation Free, Gender Free, Global” is the slogan of this press release which has been distributed at the press club for economy and industry and the press club for Mie prefectural government.

Through our Press Release and human resource strategy, we focus on the creation of an organization where diversity promotion is expanded not only in terms of gender but also in terms of age and nationality and each member exercises abilities to generate innovation and customer value. With this encouragement from these awards, we continue to promote a variety of activities in diversity management.

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【Reference Material: Activities for utilization of women at Hikari Kikai Seisakusho】

Examples of activities for promotion of utilization of women’s abilities

■ Human resource development to nurture and utilize each member’s ability.

The “Management School” held by the president, started in 2009. It is one of the central activities of employee training and education to enhance their management capabilities in the fields such as marketing, accounting, and management philosophy. From the viewpoint of developing the next-generation managerial human resources, the president appoints participants and currently women account for one third. This also provides a venue for participants to conduct discussion and enhance and recognize each other’s abilities by transcending barriers of position, job type, department and gender.

■ Participation of women in development of machine tool to bring about innovation

For the development project of a grinding machine, which started in 2011, the employment of women was proactively appointed from Design, Machine Operations, Production Control and General Affairs Divisions. As a result, their viewpoints and ideas free from stereotypes led to the development of a “diamond tool grinding machine that requires no mastery skills.” This machine allows non-skilled workers to perform the machining which had been dependent on the intuition of the skilled worker operating machinery. Furthermore, consideration was given to its operability and design to provide an easy-to-operate feature for women and elderly workers on the customers’ shop floor.



■ Production control team utilizing women characteristics to achieve profit growth

To meet customer needs in terms of delivery, the “production control team,” which identifies and controls the progress of each production line plays a key role in the plant. In 2004, a first woman was assigned to the team consisting solely of men. Since this move brought about various positive effects, more women have been appointed to increase the number of women to 5 in the 8-member team. Careful attention is given to pick up customer needs and reflect them on the shop floor. As a result, we have achieved a high-level prompt delivery rate, which in turn brings about enhanced customer satisfaction and greater profits.

Women flourishing in the workplace

● Tomoko Nakamoto, Machinery Designer

“I did not want my maternity leave and child-care leave to become a negative factor in my work. Rather, I wanted

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to use them as a preparation period to introduce different viewpoints to my work. My original work was production control and I was interested in my upstream process, design. Regardless of whether I could work in design after my leave, I consulted with the company about my desire to learn design and advance my specialty during my maternity leave. The company responded to me by providing me with learning tools and other learning environment. The company has acknowledged my desire and results from such learning and working women's ideas have been utilized for the development of "Diamond tool grinding machine which requires no mastery skills." Now I am designing machines in the Design Department."

● Chika Senda, Sub-manager of Human Resources, Management Support Team, General Affairs Dept.

"As I have seen many students for recruitment of new graduates, I notice that the gap between men and women in terms of their awareness of work has been closing. To create a system that can respond to the needs of such new employees and the needs of society is also a part of corporate responsibility. I have never experienced any restriction for our personnel decisions because of a person being a woman, provided that the reason or base for such decision is not ambiguous. If it is, management says no. I myself used to be hesitant because of being a woman. However, through my work at the company, my awareness has been drastically changed over the last 10 years. As a person in charge of human resources, I want to utilize my own experiences."

● Keiko Nishioka, Representative Director & President

"Generally, machine tool makers tend to have a very high percentage of male employees with science and engineering majors. But I have firmly believed that the collection of diverse talents promotes our superiority, creates innovation and provide a source of growth in the global competition and have been actively hiring women.

I am a woman myself and understand very well how to take advantage of women's characteristics and also how they feel inconveniences in the organization. This is probably why I could promote this kind of activities ahead of others. Our company has been recognized along with leading companies. To meet such evaluation and expectation, I am determined to proceed securely with diversity management in the future as well".

At Hikari Kikai Seisakusho, there are many other women employees active in their work.

Hikari Kikai Seisakusho, Co., Ltd.

Dedicated machine tool maker based in Tsu, Mie. Its main products are grinding machines and other machine tools, cutting tools and retrofit for enhanced performance of existing machines. In particular, for dedicated machines for carbide tools and electrolytic roll grinding machines, it has top-share models in Japanese market.

It was established in 1946 and has 92 employees (incl. temporary and part-time workers; As of March 2014).

With "Be Professional!" as its basic philosophy, it combines its technological knowhow accumulated over 70 years and its incessant technological innovations to aim at high-precision and high-quality manufacturing that can provide value to customers. In 2007, it was selected for "300 Energetic Manufacturing SMEs which Support Tomorrow's Japan" by the Ministry of Economy, Trade and Industry. Also, it received an "Incentive Award of the Selection Committee for "Enterprises in which both men and women are working lively" (2009);

"Good-standing Member Company (Environmental Improvement Category) " by the Tsu Chamber of Commerce and Industry (2009); "Mie Labor Bureau Director's Excellence Award in the Equality Promoting Enterprises Category of the Fiscal 2011 Equality and Compatibility Promotion Enterprises Award" (2011) by the Ministry of Health, Labor and Welfare; "Bureau Chief's Award for Efforts of the Elderly Employment Development Contest" by Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers, JEED) (2013). In May 2013, it became the first in Mie to declare itself a company supporting young people under the program of Ministry of Health, Labor and Welfare.

Our website is available at: <http://www.hikarikikai.co.jp/>