

Employees' Views on Working at OSG

One of OSG Group's material issues is to develop a rewarding workplace environment.

Our aim is to create and maintain an environment in which each and every employee can find pride and fulfillment and demonstrate their abilities to their full potential as they continue to take up the challenge of breaking out and going beyond what they've ever done before. This will help us to achieve our long-term vision as laid out in our Medium-Term Management Plan "Beyond the Limit."

For this roundtable talk, we brought together five of OSG's junior employees to talk about what motivates them, the culture of challenge, issues they are facing, and other topics.



Masaki Ito
(Toyokawa Office,
Sales Dept.)

Keiichi Sugiura
(Tap Design Team,
Design Center)

Yusuke Sugiura
(Machine Design Team,
Production Technology Dept.)

Ayumi Sawano*
(Personnel & Human Resources Development Team, Personnel & Labor Affairs Group,
Human Resources & General Affairs Dept.)

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Sawano: I am in charge of recruitment and training on the Personnel & Human Resources Development Team in the Human Resources & General Affairs Department. I joined OSG right after I graduated in 2015. What attracted me to OSG was how the company's organization operates with its focus on people, its many fascinating individuals, and its employee-friendly reputation. To start off, could I ask each of you to introduce yourself?

Ito: I work in sales at the Toyokawa Office. Since I graduated from a university overseas, I wanted to use English and work in foreign country. That is why I joined OSG right after I graduated in 2017 because the company has expanded its business globally. I want to take up the challenge of working overseas once I have built up not only my knowledge of tools, but also gained broad understanding and experience in OSG's business.

Y. Sugiura: April 2023 marks my eighth year with OSG. My first assignment was the Manufacturing Technology Section where I worked on carbide end mills. I'm interested in machinery design. After communicating that interest in my career plan, I was transferred to the Machinery

Department (presently, the Production Technology Department), which produces machines for use within the company.

K. Sugiura: I joined OSG right after I graduated in 2017 and I am currently doing tap design work at the Design Center, which is part of the OSG Academy. I wanted to improve myself, so I have been temporarily assigned outside OSG to an automobile manufacture where I have gained good experience as a tool technician. I was born and raised in Toyokawa. When I interned at OSG, I really liked the academic and home-like atmosphere. That is what prompted me to apply to work at OSG.

Tanaka: I joined OSG mid-career in October 2019. I am doing tax-related work as part of the Finance & Accounting Team in the Accounting Department. In my previous job, I was doing accounting at a company in Kanagawa Prefecture where I am originally from. I wanted to broaden my career, gain experience and grow, so I decided to move away from my hometown and find a job.

Sawano: I think if a person derives satisfaction from his or her job and

feels comfortable working somewhere, then that person is more likely to be enthusiastic and more productive. How do you feel about the work that you perform day-to-day?

Ito: A work atmosphere in OSG is excellent. Occasionally, my supervisor and senior coworkers have given me candid advice. No one has ever said anything unreasonable. There is good communication so that other employees even listen to the opinions of younger employees and support them. One of the attractive points of OSG is the close working relationship that employees have with department and section managers. Even President Osawa is approachable and friendly.

Y. Sugiura: I feel a sense of achievement when I see the machines lined up, which I myself worked on, on the manufacturing floor of a plant. To efficiently design machinery, I think it's also good to have a flextime system where employees are able to pretty much freely determine the hours when they will work. A system where employees are able to set their own working hours encourages a positive attitude among employees. In terms of health also, I appreciate the employee cafeteria, which serves inexpensive and delicious meals.

K. Sugiura: I am very happy that the parking area is close to the office. The Design Center also has good communication. The department and section managers as well as regular employees all have their desks on the same floor, which creates an environment where it is easy to converse. OSG's operations are mainly based in eastern Mikawa, which provides a close lateral link between design and production that makes it easy to perform the work. I have also been impressed by the company's recent promotion encouraging male employees to take childcare leave, which adds to the wealth of employee benefits that the company provides.

Tanaka: Because production lines operate with three shifts a day, factories have not adopted flextime. Sales teams need to coordinate their schedules with customers' business hours. There are other disparities in terms of operations among the different departments, but the system of remote work from home has really helped. If the weather forecast for tomorrow is snow, then I will arrange my schedule to work from home. Now I'm responsible for work that I didn't have a chance to try in my previous job. This environment where there are new challenges makes the work very fun and every day fulfilling.

Sawano: OSG helps people who are taking up the challenge of realizing the company's long-term vision. Could you please share a challenge that you have or would like to attempt?

Tanaka: My department provides an environment where we can take up new challenges on our own initiative, negotiate with other departments, and go about performing our work as we see best. Take, for example, the taxation system promoting carbon neutrality which is being spearheaded by the Ministry of Economy, Trade and Industry. OSG is able to enjoy tax benefits by coordinating a variety of departments. I feel OSG provides a culture that supports its employees, prompting them to take the initiative in their jobs.

Ito: Just as the supervisors and senior employees that I respect have done, I would like to have the experience of managing my own team. Once I have acquired the confidence of a full-fledged employee and able to perform that work, I would like to try working overseas.

Y. Sugiura: Last year, I was responsible for developing loading equipment for production facilities. It was the first development project that I ever attempted, but I was able to complete it thanks to the help of everyone around me. Now, we need to lower production costs also to achieve our aim of 15% ROA on an operating income basis as laid out in our Medium-Term Management Plan. I think we will be able to increase the number of development projects for reducing manpower and labor, so I want to volunteer to apply myself to achieving some of those tasks.

K. Sugiura: OSG is aiming to achieve a 40% share of the global tap market

by 2027. To reach this goal, we need to expand sales of specialty products while also increasing the rate of repeat customers. I hope to contribute to accelerating output and enhancing production efficiency with a system that manages specialty products, which are outside of the design management system, in the same way as that repeat standard products are administered.

Sawano: Lastly, I would like to ask if you see any issues that OSG is facing or have any proposals for how to do something better.

Ito: The environment at OSG is now more conducive to male employees taking childcare leave. However, at the Toyokawa Office, it is just myself and the office manager. So, even though such a program is available, I think it would be difficult for me to take leave. Even at offices where there are many personnel, there is always the question of who's going to cover for an employee taking childcare leave. So, I hope the company would also consider creating or somehow putting in place a better system to support that.

K. Sugiura: If you take childcare leave, you only receive about 70% of your base pay. If the employee is young and his partner is a full-time housewife, that would put probably strain their livelihood. There haven't been any cases of women in sales taking maternity and childcare leave. I wish the company would present its vision for how an employee could take childcare leave. Also, if the company instituted an open recruitment system as part of the Career Plan Statement System, it would probably be easier to find and place the appropriate personnel in the appropriate position.

Y. Sugiura: The Production Technology Department is able to reduce production costs. However, to do so, a reassessment is needed of current manufacturing processes as well as the development of production machinery. Moreover, a change is needed not only in the way we have been doing things, but also the way that our employees think. To address these changes, I believe it is important for each and every individual to continually try new things and the entire Manufacturing Department to work together to advance development of these aspects.

K. Sugiura: At the automobile manufacture to which I have been assigned, employees have the opportunity to sit down and have a discussion with their supervisor once a month. I would like OSG to set up regular opportunities throughout the company for supervisors and their subordinates to exchange views. I believe direct discussions with supervisors would help everyone to become more aware of the company's numerical targets and it would also foster a sense of unity within the organization. In addition, if employees are more aware of and better understand the standards by which their performance is evaluated and what the opportunities for promotion are, then they will understand what is being asked of them. This will make it easier to set goals and inspire employees to perform better.

Ito: More and more employees are aware of and understand the Medium-Term Management Plan. OSG now has a strong corporate culture encouraging employees not to fear failure. More people have become aware of numerical targets through the President's talks and other corporate communications. I myself am also thinking about what I should focus on as an employee to achieve the targets laid out in the Medium-Term Management Plan. Still, I feel that these numerical targets are not linked to employee evaluations or the goals that we need to achieve, so this is something that we should be more aware of throughout the entire company. It is also important for standards to be set out for personnel evaluations. I think it would be effective for comprehensive assessments to include supervisors' evaluations of their subordinates' performance.

Sawano: Thank you very much for sharing your valuable insight today. This roundtable talk shows once again the employee-friendly atmosphere and open communication at OSG. I hope to take the issues and proposals that you have made and put them to work to improve the personnel system with an eye toward making OSG a company where we all grow together.