

Management Model and Engagement Model

| Message from an Officer |

In March 2017, JTEKT established the Management Model and Engagement Model. At the same time as promoting the creation of corporate value by all employees uniting as one, JTEKT will work hand-in-hand with its stakeholders to achieve co-creation of corporate value so that we may contribute to the realization of a society with sustainable growth.

Executive Director

Tomokazu Takahashi



I was stationed in both the U.S. and Europe for a long period of time and, as such, witnessed firsthand the speed at which Western companies operate.

There are too many examples to mention, but in a nutshell, Western companies tear down conventional barriers that exist between them with such vigor and form large entities that could almost be referred to as consortiums, then push forward in the same direction. In contrast, although JTEKT has grown into a large company with net sales exceeding 1.3 trillion yen and 44,000 employees, as indicated by the non-financial KPI (*) mentioned in this report, “Level of understanding by employees of own division’s vision,” which was a mere 60.2 percent in FY2016, we are far from being able to say that everyone is heading in the same direction.

In response, JTEKT formulated the Management Model in March 2017. This model uses the analogy of the “House of JTEKT” where the roof is built from our existing Corporate Philosophy which defines what we want to be, the JTEKT GROUP VISION which defines what we aim to become and the JTEKT WAY as our values to be shared. In addition, these concepts are backed by their respective supporting elements. The spirit of the house is “We are all part of one big JTEKT Family that works together under one roof.” In April 2017, we began activities to spread this Management Model throughout JTEKT and will continue deploying it to our overseas affiliates.

Meanwhile, the “Engagement Model” was also established in March 2017. In today’s society, SDGs and ESG are becoming widely accepted, and society on the whole is beginning to place emphasis on sustainable growth. Amidst this shift, JTEKT must also be recognized by society as an entity capable of achieving sustainable growth. However, if we do not look beyond our own company, we will not be able to objectively ascertain how we are contributing to the sustainable growth of

society and whether or not we are fulfilling expectations. JTEKT has operations across the globe and as such, interacts with a truly diverse group of stakeholders. As such, we should also be outward-looking and proactively provide opportunities to engage in dialogue with our stakeholders so that we may achieve the co-creation of value in the name of sustainable growth.

* KPI KPI is an abbreviation of Key Performance Indicator

TOPICS

Town meeting for assistant managers

In order to encourage stronger engagement between management and workers, once a month, JTEKT holds town meetings for assistant managers whereby the President sits down with young and middle-ranked employees to directly exchange viewpoints. The themes addressed in these meetings range from concerns in daily tasks to the future of JTEKT and are opportunities for lively discussion with a wider perspective that looks beyond routine, daily tasks. Since the town meetings for assistant managers began in 2016, there have been 26 sessions held at JTEKT plants and business offices across Japan.

