

Creating an Open Culture Where Diverse Human Capital Can Thrive

Dialogue

Cultivating Unconventional Human Capital and Engaging with the Community

Its human resources are the Nanto Group's most important management capital, and we are committed to developing human resources who can think and act independently to solve regional issues.

As part of our efforts to build an organization in which diverse talents can thrive, we are expanding our offering of external assignments for employees in their 20s to 40s. After one such secondment, we had an opportunity to speak with Mr. Takekazu Hirohama, President and CEO of Toyo Screen Kogyo Co., Ltd., whose company accepted a seconded Bank employee, and Mr. Takashi Kawasaki,* the seconded employee, about the growth of regional companies and bank employees.

*Seconded to Toyo Screen as General Manager of General Affairs from April 2022 to March 2025



Toyo Screen Kogyo Co., Ltd.
Representative Director

Takekazu Hirohama

Senior Program Manager,
Corporate Planning Department

Takashi Kawasaki

Background to Accepting the Secondment

Hirohama: There is much talk about the shortage of human resources these days, but this has long been a problem for small and medium-sized companies. Under these circumstances, limited resources tend to be allocated to front-line operations such as sales and planning, resulting in delays due to limitations in resources allocated to back-office operations. Our company was no exception. Despite the retirement of our general affairs director, we had no successor in place, for example. While we were considering relocating our headquarters and factory to accommodate business growth, Nanto Bank, which is our main bank, introduced a campaign to “create unconventional talent” in its business plan. We found the idea of identifying and

resolving management issues together to be intriguing, and this led us to accept a seconded employee from the Bank.

Kawasaki: I had just obtained my SME diagnostic consultant certification and wanted to acquire a practical understanding of small and medium-sized enterprises, so I was genuinely delighted when I was selected. At the same time, this was the first time a mid-level employee had been seconded to a regional company, so I felt a particular sense of responsibility to contribute to the company that accepted me.

Organizational change through collaboration between local companies and Bank personnel

Hirohama: Initially, our most important expectation for the seconded employee was to use his strengths as a banker to solve issues related to our head-office and factory relocation project, including securing funding. We also expected him to reinforce our recruitment activities and streamline our back-office operations. Ideally, we hoped he would engage in activities that would contribute to revitalizing the organization in the role of general affairs manager.



Kawasaki: Convinced that it was important to gain understanding of our intentions among our employees from the start, we made a conscious effort to engage in dialogue with them. As the discussions continued, we realized that, although we were undertaking a major headquarters and factory relocation project, there was a disconnect between our management and employees, mainly due to a lack of organizational momentum. We conducted an employee survey and analyzed the results, concluding that our top priority must be to share the company's vision with all our employees in order to align our goals. We established a project team to develop a business plan and organize a presentation event for the plan. After approximately six months of deliberation, we were finally ready to hold the presentation event successfully.

Hirohama: We are now holding management plan presentations including progress reports every six months and conducting multiple surveys after each event. We have seen an increasing trend toward employee opinions that suggest a favorable shift in their mindsets, such as "I now understand the direction the company is heading," and "I want to consider what I can do from my own perspective." The number of questions raised and suggestions contributed after the presentations has increased as well, an encouraging sign to me as a manager.

Kawasaki: Almost no one raised their hand during the question-and-answer session following the first management plan presentation, but after the most recent presentation I attended, the question and answer session became quite lively. I feel that awareness of the value of participating in management is beginning to grow.

Hirohama: Speaking of changes in employee awareness, I believe our establishment of a new personnel system has also had a significant impact. Employees had no guarantee of transparency and fairness under the former system, and the surveys contained many complaints about it. The company took these issues seriously and worked hard to establish a personnel system that ensured transparency and fairness. I also participated actively in this process, starting with clarification of certain basic principles followed by the establishment of behavioral guidelines and human resources policies, including standardization of job titles and grade requirements. We also made the salary levels for each grade and job title transparent. Our intention was to make it

Creating an Open Culture Where Diverse Human Capital Can Thrive

easier for younger employees to plan for the future, while exerting pressure on our managers.

Kawasaki: As stated in the company's Management Philosophy, "We will realize management that allows every employee to continue to grow with a joyful feeling," we have focused on ensuring that the direction of the company's growth and that of its employees are aligned. This was accomplished by incorporating the ideal requirements for the company into the personnel system, while also striving to motivate as many employees as possible. With the cooperation of the project members, we believe we were able to announce a nearly ideal human resources system. My only regret is that I was unable to participate in its implementation, which I consider to be even more important than its design, due to the timing of my secondment period.

Hirohama: Although the personnel system is not yet firmly in place, we believe that the dissemination of our management plans and establishment of an optimized personnel system have revitalized our organization by raising employee awareness. We also believe that this organizational revitalization has improved our recruitment activities, as we have gratefully observed in an upward trend in the number of job applications.

The value of bank employees from a management perspective

Hirohama: Since we had never accepted an employee seconded from a bank before, we originally expected, as I mentioned earlier, that Mr. Kawasaki would focus mainly on cash flow management and improving the efficiency of our back-office operations. Our ongoing discussions of various matters with him on a daily basis soon made me aware, however, that he was providing new insights by offering his opinions from both a management and employee perspective. I tend to base my business decisions on overall optimization, and I found that his advice took my perspective into account, which gradually established trust between us. Before I knew it, he had become my right-hand man, and it wasn't long before I asked him to take on the role of General Manager of General Affairs.

As concerns the value of bank employees, I now realize that their value lies in the wealth of information they possess due to both the large number of customers they serve and the high level of analytical skills they develop over time. The challenges faced by small and medium-sized enterprises and the concerns of their managers are often similar, and I believe that by accumulating information that can contribute to resolving these management issues, you can become like a capable banker who can truly support customers. Perhaps as a side effect, the change in employee mindsets during the three years Mr. Kawasaki was seconded to us led to a sales increase of over 20%, and we believe that steady customer-focused efforts such as these are contributing to the Nanto Bank Group's goal of increasing Nara Prefecture's GDP by over 10%.

One thing I would like to ask today's bank employees, however, is to take one step further in engaging with customers and to show a willingness to learn more about them. I don't believe the real feelings of business owners or any other truly useful information can be obtained without taking an interest in your customers. Business owners are all proud of their companies, so I feel certain they would welcome this attitude.

Kawasaki: The two most important things I gained from my three years of secondment were: "(1) an opportunity to work closely with employees at small and medium-sized companies" and "(2) an ability to view things from various perspectives."

Regarding the first point, I realized that I had not given much consideration to the people employed by the companies I interacted with at the Bank, since my conversations with clients usually centered on their financial statements. I believe my firsthand experience with the fact that there are employees who work diligently and enthusiastically in every company has made

me a banker who can support clients better than ever before.

As for the second point, I gained experience from three perspectives: “as a department head,” “as a member of management,” and “and as an employee of the company.” As General Affairs Manager, I focused on motivating my team members and setting the direction and goals for the department. I believe that being entrusted with the responsibility of managing a department at my age was an extremely valuable experience. As concerns the other two perspectives, as President Kawakami mentioned, I made an effort to offer opinions from both the management and employee perspectives and worked to align the goals of management with those of employees.

In any case, I believe that these three years were not only a time of diverse experiences, but also a time of significant personal growth. Of course, this was only possible thanks to the cooperation and support of the President, Executive Vice President, and project team members, and I am deeply grateful for that. Finally, the employees of Toyo Screen Industry are all honest, professional individuals who inspired me every day. I sincerely appreciate the warm welcome they gave me and the bittersweet farewell they bade me. I hope to continue to consider their company as my second home.

Hirohama: By accepting this secondment, I was able to show my gratitude to Nanto Bank for sending me a seconded employee, and my trust and empathy for Nanto Bank has increased. I believe there are many small and medium-sized enterprises facing similar challenges, so I hope that they will continue these efforts and contribute to the development of the local economy by creating “human resources who think for themselves, take action, and solve local issues.”



Company Overview Toyo Screen Kogyo Co., Ltd.



Founded in 1954 with a management philosophy of “contributing to the progress and development of the global environment and society, and continuing to be a necessary presence in society,” Toyo Screen develops, designs, and sells metal filters called wedge wire

screens that separate solids and liquids, as well as environmental conservation equipment. Notably, the company boasts world-class standards in terms of filter fineness and precision, thereby contributing to solving challenges for customers in industries from the automotive industry to the food industry who are struggling with filtering issues. In recent years, the company has successfully developed an innovative device capable of simultaneous filtration and dehydration and begun expanding into the semiconductor and chemical industries.

Toyo Screen has been selected as a “Regional Future Leading Enterprise” and one of the “300 Thriving Small and Medium-sized Enterprises and Small Businesses.” Most recently, it received approval for a “Large-Scale Growth Investment Subsidy for Wage Increases in Small and Medium-sized Enterprises,” demonstrating the high level of recognition accorded its business model.

