

9. To Be a Company That Can Grow Together with Associates

At Terumo, we refer to our employees as “associates,” and expect each of them to continually develop and refine their abilities, think and act independently and make valuable contributions to the development of the company. Our term for any given group of associates (including a team, section, or department), is “pride,” referencing both the term used to describe a group of lions as well as an appropriate sense of self-worth. Terumo is therefore a group of proud individuals who cooperate with each other to achieve greater results. Our associates work hard to improve themselves, and the company rewards them by providing them with valuable opportunities to demonstrate their abilities to the utmost extent. We believe our value as a company is equal to the sum of the value of our associates.

Supporting associates who through work experiences

Based on our belief that associates grow through work experiences, Terumo values opportunities to take on work-related challenges.

ACE in-house recruiting system

Under the concepts of “Get the job you want” and “Fulfill your potential, doing the job you want to do,” we have in-house recruiting system called ACE¹ in place. Since the inauguration of the system, a total of 300 people have applied, resulting in about 90 personnel transfers.

In fiscal 2008, we recruited in-house staff for overseas positions based in BRICs² countries and development engineering positions for a new project. For each of the respective positions, two associates were chosen out of nearly 30 applicants.

1 ACE: As well as being an acronym for “Associate Challenge Education,” the program’s name reflects our intention to shape each of our associates into an “ace.”

2 BRICs: The four countries of Brazil, Russia, India and China, with similarly rapidly developing economies.



Internal exchange

In Japan, we have introduced an internal exchange program to provide our associates with work experience in different divisions and help them acquire a broader perspective. The program was created in response to requests from our associates for opportunities to get to know other divisions without having to permanently transfer and has proven to have various benefits. For example, associates at our head office or research & development divisions can acquire a first-hand understanding of customer needs and demands by spending time in the sales division. Associates working in the manufacturing division can pick up new techniques by transferring temporarily to other factories. The program, which can last anything from one week to half a year, has also proven to have the additional effect of improving communication between divisions.

We have also started a new program that involves external exchange with other companies. Terumo intends to develop an environment where the different values and strengths of different cultures can combine to give rise to a new awareness and create new synergies.

Key job openings in fiscal 2008

- Overseas positions based in BRICs countries
- Development engineers for new project
- Management accounting staff for overseas business

Job rotation

We believe that experience, insights and perspectives gained in other fields greatly contribute to the professional development of our associates. We therefore practice job rotation targeting junior to management-level associates to provide them with this kind of varied experience. For example, we might transfer an associate from the manufacturing division to the sales division or from the sales division to the head office division. As one of the prerequisites for promotion at Terumo is experience in different fields, this also translates into concrete career benefits for our associates.

Basic clinical training and practical sales training

At our comprehensive healthcare training facility, Terumo Medical Pranex, where many of our associates undergo skills training, we have created a culture that focuses trainees’ minds on our customers’ needs and the practical demands of their actual workplaces. Training programs provided at the facility range from basic clinical training for newly hired associates to advanced clinical training for sales staff (medical representatives).

In addition, we provide new engineering associates with five months of practical sales training and associates working in the corporate staff divisions with a week of on-site training, in which they accompany MRs as they carry out their normal duties.



Training for newly hired associates held at Terumo Medical Pranex

An environment for self-learning

People learn most effectively when they are self-motivated. Based on this understanding, Terumo provides only a few general training programs, including training for newly hired associates. Other training programs are provided on a voluntary and selective basis in which associates who have demonstrated noteworthy results may participate at their own request or by the recommendation of their supervisor.

For example, we hold a selective training program for next-generation leaders, known as the LEO* Seminar. Each year, out

of about 100 applications, we choose around 30 mid-career associates in their late 20s to late 30s based on their performance, contributions and an interview. For the roughly four months of the program, the selected participants balance their job with their training assignments. As part of their training, they engage in serious discussions on management issues facing Terumo and present their recommendations directly to management at the end of the course. Some of these recommendations have been launched as a new company project.

We also make it a rule to implement job rotation for all participants following the seminar to enable them to broaden their experience. More than 200 graduates of the seminar have already distinguished themselves in divisions across the company.

* "LEO" stands for Leader Executive Organization. It also refers to the purpose of the program, which is to identify and develop those associates with the potential to grow into "lions" (top management).



Presenting a proposal to top management



Heated group discussion

Spotlighting the steady and consistent contribution of associates

"Genba-no hokori" Award

Terumo's overall performance cannot just be attributed only to those associates working in the "high-performing" or "glamorous" divisions. Associates who work steadily behind the scenes every day also make a huge contribution. To reward and recognize the achievements of these professionals who take pride ("hokori" in Japanese) in their work and support the front ("genba") with their consistent efforts and results, we created the Genba-no hokori Award. Past winners of the award include associates in charge of maintenance of production facilities and others who ensure smooth distribution. Each year, the award is presented at a ceremony held in September on the anniversary of the foundation of Terumo to five or six recipients selected from candidates nominated by their peers.



Winners of the Pride Award "Genba-no hokori" in 2008