Motivating Employees to Take on Challenges

Employees

Casio works to maintain a healthy corporate culture where fairness and impartiality are valued in all promotion decisions. The company uses a merit-driven system combined with a performance-based approach to evaluate employees and determine compensation.

Policies for effectively appointing and deploying employees

Casio continually improves its human resource system to achieve fairness and to maximize "Creativity and Contribution."

Casio's human resource system aims to strike the optimal balance between the development of employees and the growth of the company. This is achieved following a basic performance-based approach. No matter their academic background or age, employees are graded based on the extent of their roles, then evaluated and compensated based mainly on actual job performance.

Overview of human resource system

Casio's human resource system consists of three subsystems: the Grade System, Appraisal System and Compensation System.

The Grade System forms the base of Casio's human resource system. For some time now, Casio has graded and ranked managers based on their individual roles and accomplishments under its Professional System. Casio now also defines roles for each job type for non-managerial employees under its Role Grade System. The aim is to increase the acceptance of the Grade System, by clarifying the roles for each job type. Casio also encourages employees to target higher positions and pursue self-development. Before receiving a grade promotion, employees must undergo training and interviews, which provides them with ample opportunities for development.

In the Appraisal System, employees are evaluated in three areas, namely, target achievement under management by objectives, work performance (competency) in their job type, and contribution made toward the department. The evaluation is made on a five-point scale. Managers discuss the evaluation results individually with each employee in order to seek a high level of understanding.

The Compensation System applies a salary range that is based on job grade under the principle of a competitive salary. Pay raises are given in accordance with performance evaluation and salary levels. Bonuses are distributed in a balanced way, depending on evaluations. Now, Casio has made application of its performance-based approach even more complete by incorporating allowances, such as those for employee attributes including family and residence status, into base salaries.

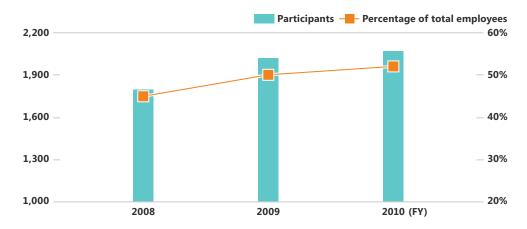
Overview of human resource development

Casio has various human resource development programs designed to develop creative employees who are eager to take on challenges and to train professionals with early tracking into specialized fields.

Casio aims to develop professionals in the form of strategic generalists who pass on the company's corporate culture, and technical specialists who pass on the company's unique technology and know-how. For this purpose, based on the convictions that people grow through their work and that the source of growth is personal motivation, Casio helps employees improve their skills by providing environments that enable them to overcome challenges through personal determination and effort.

Accordingly, the company emphasizes on-the-job (OJT) training to improve practical skills, complemented by off-the-job (off-JT) training to provide theoretical knowledge. In recent years, the training system has been improved to ensure even more effective, efficient skill development via a broader choice of training courses.

Training participants



Main human resource development programs

Career Challenge System

This system lets employees periodically register their careers, skills, and personal challenges with the company, and serves as an important reference for assisting managers to determine policies on developing their subordinates and future placement planning.

Career Challenge: Advanced

This program preferentially places employees who have been in their current career position for a rather long time and hope to challenge themselves to pursue work environments and careers that require new skills, for the objective of self-improvement and making further contributions to the company, in their desired divisions, if their desires meet the needs of the new department.

Job Posting System

This system seeks to satisfy both the company's business needs and employees' career paths, and is a program for priority placement of suitable people, based on selection of candidates for jobs which the company offers. It is operated jointly with other Casio group companies.

New Employee Training, Follow-up Training, Career Development Training

Training for young employees becomes a place for learning the basics of being a Casio employee, and offers opportunities for employees to consider their own career paths, with training for new entrants as well as one-year and three-year employees.

Skill Selective Training

The training targets all regular employees, for the objective of effectively and efficiently acquiring diverse skills required for work operations, in a training program that allows employees to select from a large variety of training courses.

Techno Power

This is a technology exhibition held annually for the objective of stimulating engineers, and of sharing and accumulating technology, serving as a place for recognizing technology superiority, patentability, completeness, and other in-house advanced technology.

Advanced Technology Seminars

These are in-house seminars mainly targeting engineers, using case studies of innovators at other companies who were able to develop revolutionary new manufacturing methods and create new businesses, for the objective of understanding advanced technology trends and of fostering a development mindset and the will to take on challenges.

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Intrapreneurship Program

Casio established its Intrapreneurship Program in April 2010 to foster the desire to take on challenges and expand opportunities for new business development. The program allows individual employees to make their own business proposals to top management. Those employees whose proposals are approved as management themes become the project leaders, and then work to realize the goals they proposed.

τιο Off-JT Award Measures to train existing workers to make them Training for Measures **Training for** Skill system selective training specific job grade and other for proper selected Other placement employees incentives professionals Division Advanced Manager Rank 4 Engineer Multi Department Manager Department Manager Technology Seminars / Language Training / Correspondence Education Evaluation Rank Senior Engineer Career System for 3 Training Training Managers Section Section Manager Advisory Rank Manager for Each Department / Professional Career 2 Engineer Training New Techno Power / President's Award **Career Challenge: Advanced** Manager Training Sales Training Patent Award System Chief Rank Career Roadmap Venture Program Assessment **Career Challenge System** Engineer 1 **Development Evaluation Skill Selective** Job G3 Career G3 Training Posting System System of G3 Candidate Job G2 Training Training for Engineers Performance OJT-MAP Career l Ability G1-2 Development System Training Follow-up Training т G1-1 Assessment New of Job Employee Performance Training

Training System