Hitachi understands that even a single product defect could pose a significant business risk, given society’s increasing awareness of safety and security issues and the growing global reach of businesses, and reflects this in company management. The entire Hitachi Group contributes to quality assurance as part of the tradition of monozukuri craftsmanship from the customer’s perspective. These contributions cover all processes from research and development through to after-sales service. Moreover, we promote activities to improve quality assurance centered in the areas of organization and management, technologies, and human resources. Regarding the latter in particular, we provide training for engineers in Japan and work to develop human capital outside Japan.

Our Actions in Fiscal 2014

In fiscal 2014, under the Hitachi Group QF (Quality First) Innovation Movement launched in fiscal 2010, we continued our initiatives to ensure product safety, compliance with laws and regulations, human resource development, and quality improvements. To develop the quality assurance skills of employees around the globe, in particular, we are increasing training opportunities in China and the rest of Asia, as well as other countries and regions.

- More than 70,000 Hitachi engineers went through an e-learning program that drew on the results of analyses of past product accidents.
- We provide reliability training courses in China and Thailand.

Quality Assurance Activities

Based on the Corporate Credo of contributing to society through the development of superior, original technology and products, Hitachi has engaged in monozukuri craftsmanship with quality and reliability as top priorities since its founding. To advance product reliability, our quality assurance activities cover all processes from product planning and development through to design, manufacturing, delivery, and after-sales service. Moreover, we are undertaking activities across the Group to improve quality assurance centered in the areas of organization and management, technologies, and human resources.

Under the 2015 Mid-term Management Plan, Hitachi is currently working to secure a leading market position as a major global player. With higher quality standards than ever, we are enhancing our products from the customer’s perspective and improving quality management processes. Since fiscal 2010, we have promoted the Hitachi Group QF (Quality First) Innovation Movement to ensure product safety, compliance with laws and regulations, human resource development, and quality improvements. We also concentrate on quality improvements in China and the rest of Asia, as well as other countries and regions.
**Ochibo Hiroi: Identifying Root Causes of Product Accidents and Preventing Recurrence**

Meaning “gleaning” in English, ochibo hiroi identifies the root causes of product accidents and recurrence prevention measures. The quality assurance executive officer works with related divisions to delve deeply into the technical causes as well as the procedures and the organizational and psychological factors that led to the accident, thereby identifying root causes and developing measures to prevent recurrence.

**Intensive Risk Assessment**

Hitachi is committed to quality and reliability, delivering safe products and services by combining expertise and technologies from such varied areas as planning, research, design, manufacturing, quality assurance, and maintenance. The safety of our customers’ life, health, and property are the top priorities in product development. Therefore, we verify safety at every step, from development and production to sales, and conduct risk assessments from a wide perspective in collaboration with related manufacturing plants and research laboratories.

**Complying with Technical Laws**

To supply our customers with products that they can use with confidence, we comply with all product safety and technical laws, including those covering environmental consciousness and safety labels. We distribute information on product regulations worldwide, along with amendment trends and enforcement dates, among Hitachi Group companies. We have also created compliance guidelines to share within the entire Group. The guidelines focus, among other things, on clarifying product-specific laws (product-specific laws map); on regulatory compliance activities and continuous improvement of processes, based on our compliance management system, designed to satisfy the 2008 ISO 9001 standards; and on compliance education, as well as raising compliance awareness.

**Handling Product Accidents**

If there is a product accident, the division responsible acts swiftly to resolve the problem from the customer’s perspective, coordinating with other Hitachi business units as needed. For an especially serious accident, we report to government agencies, as we are legally required to do, and publish the incident information on our website and through other channels. At the same time, we quickly submit a status report to top management, ensuring fast and appropriate remedial action not just at the company directly involved but all companies across the Group.

**Response Flow in the Event of Product Accident**
Quality and Reliability Education

Our training programs for all technical and skill levels at divisions working in design and quality assurance cover reliability (basic and advanced) and product safety. In fiscal 2011, we reinforced our monozukuri practices by beginning an e-learning program for the more than 120,000 Hitachi engineers around the world. Since fiscal 2012, we have operated another e-learning program that draws on the results of analyses of past product accidents to identify weaknesses that our engineers must be able to ascertain, understand, and overcome in their daily work. Over 70,000 engineers have gone through the program.

Quality assurance (QA) training centers at our manufacturing sites help to increase production, quality assurance, and maintenance skills through their own specialized technical courses.

QA Systems in China and Throughout Asia

As production volume has been increasing in China and other Asian nations, we are reinforcing systems and training to improve product quality from these locations. For example, we host conferences for QA managers in China and Thailand to improve quality awareness and to share information and best practices.

To develop employees’ QA skills and to improve their quality awareness and inspection techniques, we provide reliability training courses at three levels in Beijing, Shanghai, and Guangzhou in China and in Bangkok, Thailand: the Basic Reliability Course, Intermediate Reliability Course, and Advanced Reliability Course. In the Advanced Reliability Course, managers hold group discussions on past product accidents to identify the root causes, including the process-related, organizational, and psychological factors. The goals are to boost problem identification and problem-solving skills.

Ensuring Home Appliance Safety

We are reducing consumer appliance accidents to near zero levels in line with Hitachi’s Customer Satisfaction (CS) Management Guidelines, which set avoidance of all product accidents as the baseline. For example, since fiscal 1987 we have been testing worst-case scenarios, such as deliberately setting a fire inside a product to confirm that the fire will not spread outside it. Since fiscal 2006, we have also been conducting product safety risk assessments at the development stage, creating “accidents” that might be caused by misuse.

Of the fires in electrical products that occurred in Japan during fiscal 2014, room air conditioner accidents (including outside units) were the most common, accounting for 64 incidents. No Hitachi air conditioners were involved in these accidents, reflecting the strength of the Hitachi Group QF Innovation Movement. We will continue to make all our consumer appliances even safer using our own voluntary action plan for product safety so that customers can use our products with confidence.