

ACTIVITIES **2**

Make a Difference! Transforming Organizations by Inspiring People to Change **Employee Mindset Reform to Thrive amid Global Competition**

There is a growing awareness of the importance of employee mindset to corporate growth, with the idea increasingly playing a part in the actions taken by companies. Since 2015, Hitachi has been working with its 300,000 employees to foster a corporate culture that can thrive amid global competition based on the idea of an “I will” mindset. Entitled “Make a Difference!,” it is hoped that this activity will also deliver results in the form of new business development, including the running of a business plan contest that is open to Hitachi employees throughout the world. To find out what led to the establishment and growth of Make a Difference!, this article follows the progress of the project from its launch to the present day.

Mindset Reform is the Key to Corporate Growth

Fresh attention is being paid to the role of human resources (HR) departments. This has likely come about due to a re-acknowledgement by senior management that HR has a direct bearing on growth and innovation at a company. While human resource development (which falls under the jurisdiction of HR departments) tends to be thought of as being about enhancing the capabilities and skills of individual employees, its role in transforming attitudes should not be overlooked. The recognition over recent years of the importance of mindset (the attitudes and ways of thinking forged by a person’s education and other past experiences) is a result of people coming to see that companies, as organizations, can be strengthened by changing the mindset of each individual.

Make a Difference! Encourages Participation of All Employees

It was against this background that Hitachi, which employs 300,000 people around the world, launched its project to encourage mindset reform in each of its employees, establishing an office in the Global Talent Management Department of its Human Capital Group with a mission of contributing to the business through human capital and the organization. To begin with, the project largely had carte blanche as to what its objectives were and how to go about them. Prompted, however, by workplace feedback telling them that employees had ideas but lacked the opportunity to express them, and that employees want a chance to take on challenges, they decided to stage a new ideas contest for new businesses and in-house reforms. This was based on a belief that setting up a forum where people could express an “I will” mindset, acting on their own initiative, would help foster an organizational culture that encourages new ways of thinking.

It turned out, however, that a similar initiative was already being run across Hitachi’s business units and sales divisions. Natsuko Arakawa (Assistant Manager, Global Talent Management Department, Human Capital Group, Hitachi, Ltd.), who was involved in the project planning, talks about the need to clearly demonstrate the significance of having such a project run by the Human Capital Group.

“The idea behind running the project was to provide somewhere where employees have an opportunity to think and act for themselves. That is why we chose to make it an idea contest instead of the more forbidding alternative of a business plan contest. We also changed it around to make the contest open to everyone as a way of ensuring that as many employees as possible could participate.”



Natsuko Arakawa

Assistant Manager, Global Talent Management Department,
Human Capital Group, Hitachi, Ltd.

Entitled, “Make a Difference!,” the project is an action for corporate growth positioned as reforming the company with a view to the decade ahead on the roadmap created by the project office based on its assessment of the current situation and laying out where the company should go (see [Figure 1](#)). The goal is to foster a corporate culture that can grow through the global activities of Hitachi’s Social Innovation Business, inspiring employees to bring change to both individuals and the organization.

From Idea Contest to Business Plan Contest

Make a Difference! was launched in FY2015 with a plan to run for three years. The existence of Make a Difference! was widely publicized to employees in Japan and overseas with an e-mail announcing the project launch sent by President Toshiaki Higashihara to all 300,000 of Hitachi’s employees, including those in workplaces outside Japan. The problem, then, was how to run the project globally.

Arakawa explained, “As the project was being run by the Global Talent Management Department, it was the intention from the beginning that the project should cover the entire world. In past instances when employees from workplaces outside Japan participated in a project led by the headquarters, the manager in each business division responsible for overseas operations would

Figure 1 | Roadmap for Fostering Individuality and Corporate Culture

Changing the attitudes of individual employees is essential to successful reform of the company.



act as an intermediary, resulting in little direct involvement by the headquarters. Furthermore, sometimes there are also common-sense things that we take for granted that are not common sense to people overseas, so we needed someone who could help us run the project in an international manner.”

The person chosen for this role was Lyn Amor Doble (Manager, Global Talent Management Department, Human Capital Group, Hitachi, Ltd.), who happened to be working on the same floor as Arakawa at the time. The surprise generated by all employees receiving an e-mail from the company president led to many questions from America, Europe, and elsewhere and Doble had the job of dealing with these and other inquiries. She also worked to create an environment that facilitated participation by employees from workplaces outside Japan.

As she put it, “Difficulties arose from the lack of a common information platform across all groups around the world. For example, employees from outside Japan were unable to access details of



Lyn Amor Doble
 Manager, Global Talent Management Department, Human Capital Group, Hitachi, Ltd.

the project that the project office had posted on the company intranet. Nevertheless, we gradually put the infrastructure in place to give overseas employees access, including having companies that had set up their own in-house intranets install the same environment as the headquarters.”

They drew on a broad base of knowledge to make the project open to all employees. One example is that, rather than calling for ideas of all different sorts, they invited contributions from people about what has helped them grow, thereby

Figure 2 | Participants Giving Final Presentations

At the final presentations for the FY2016 Make a Difference! (held in March 2017), the five teams selected by preliminary judging out of 496 entries from Japan and elsewhere were judged by Hitachi President Toshiaki Higashihara.



encouraging participation by all employees while also raising awareness of the project.

As a result, 600 entries were received, significantly more than the target of 200. What stood out, however, was the differences in the presumptions and approaches of the employees who had participated. A surprising number of people expressed a desire to present a new business idea that they had given serious thought. Reactions were also positive for reasons such as people having never previously had any route by which they could engage directly with Hitachi headquarters. As a consequence of this, the idea contest was transformed the following year into a business plan contest.

Steady Stream of New Independent Connections

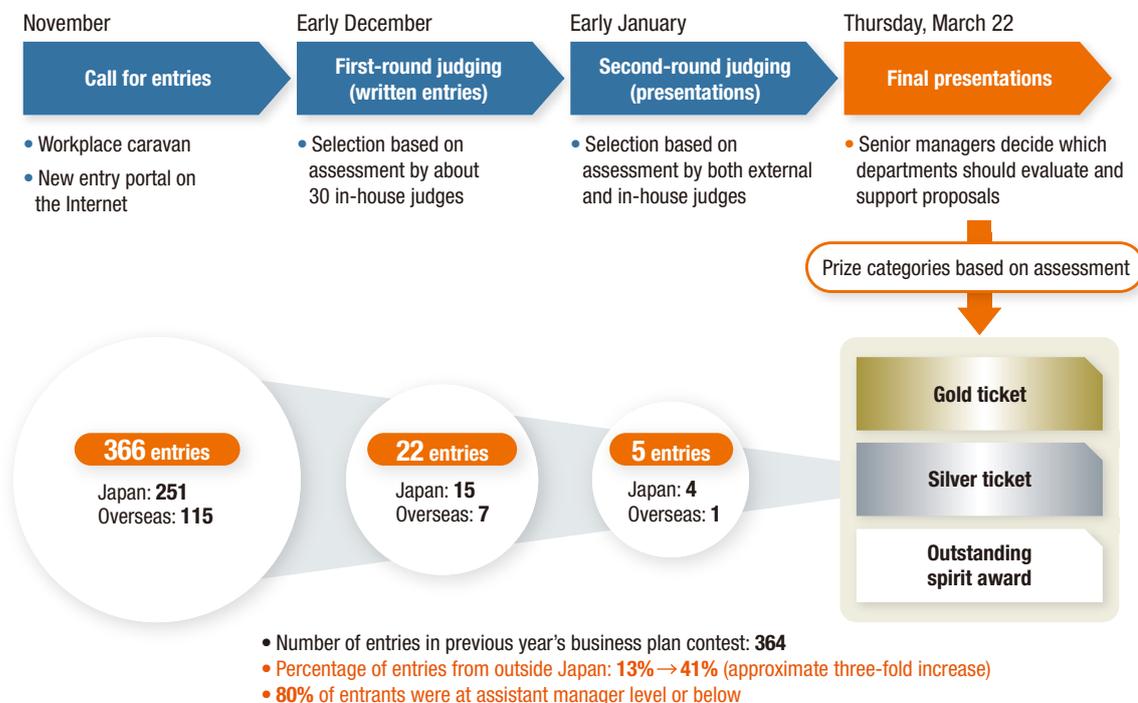
The business plan contest involved more than just presenting ideas for new businesses or corporate

reforms, the aim being to achieve a change in thinking, with the ideas proposed by employees leading to practical business development experience. The contest also aimed to provide people with somewhere they could experience coming up with their own thoughts and choices, and then following through on these.

The entries went through two rounds of preliminary judging (based on written entries and presentations respectively), followed by final presentations where the last round of judging took place and where the winners were chosen from among those that had made it to the last round. Changes were made from the second year that included improving the quality of the judging, such as by including external judges in the second round of preliminary judging, and giving feedback to those who didn't make it through the judging about how their entries could be improved (see Figure 2). Communication with entrants also turned up some unexpected facts.

Figure 3 | Entry and Judging Procedures for FY2017 Business Plan Contest

Entries went through three rounds of judging based on written entries, presentations, and final presentations, respectively, and the best, most realistic presentations were awarded with “gold tickets” entitling them to assistance toward commercialization.



Arakawa comments, “One of the things I noticed when looking at the entries was how many of the teams were made up of people from different business units or departments. When we spoke to them, I found out that employees connect with each other in many different ways, such as meeting people through company-wide training or as a result of sharing the same customers. The desire to expand links between employees that transcend the organization was something that came about even though it was not one of our original aims.”

The third year of the contest (FY2017) included changes to make the contest easier to enter and to further improve awareness. Greater support was also provided for employees wanting to take on the challenge. In the former case, this involved running a “workplace caravan,” creating a contest entry portal that was easy to access for employees outside Japan, while in the latter case it meant expanding the consultation offered for entries in the final presentation. FY2017 also saw an

approximate three-fold increase in the percentage of entries from outside Japan despite only a small increase in total entry numbers. Another achievement was getting input from younger employees, with 80% of entrants being at manager level or below (see Figure 3).



Kazumi Rissen
 Director, Business Strategy Planning Department, Service Business Sales Promotion Division, Sales Management & Accounting Division, Systems & Services Business Division, Hitachi, Ltd.

Kazumi Rissen (Director, Business Strategy Planning Department, Service Business Sales Promotion Division, Sales Management & Accounting Division, Systems & Services Business Division, Hitachi, Ltd.), who has for many years been involved in work style reform and planning for new areas of business, and who also played an administrative role in Make a Difference!, explains as follows.

“If our accomplishments to date could be summed up in one word it would be ‘connections.’ Because the contest involves people posting their ideas (entries) and other material on the intranet, creating what is in effect a database, it also serves as a forum where people can connect with each other. Among the ideas that failed to make the cut in the second round of judging this year were some in which the external judges showed an interest, working on them jointly to see if they could be put into practice. Likewise, a cross-departmental study group (Team Sunrise, a group made up of young employees from around the world) that was one of the teams that made it all the way to the final presentations in the first year’s contest has continued to expand its scope and is putting more energy into activities that involve interactions between people inside and outside the company. There really is work going into independent initiatives for enlightening people’s thinking.”

Genuinely expanding the scope of “connections” is also something that is evident in an initiative by Hitachi Consulting Corporation (HCC), which won the President’s Award. The idea that HCC proposed for mobile subscriber analytics to assist management decisions about customer acquisition and retention was something that would be impossible without the availability of Hitachi know-how. Furthermore, senior management was also said to be surprised by the way

the employees, who approached them directly, presented themselves. Noting that the quality of entries from outside Japan has been increasing, Doble points to one of the outcomes of the project by saying, “Headquarters has been seen in the past as psychologically distant by overseas companies. The Make a Difference! project has improved familiarity with headquarters, and I believe it has served to strengthen the idea of ‘growing globally as One Hitachi.’”

Making HR Development Support Next Generation of Hitachi

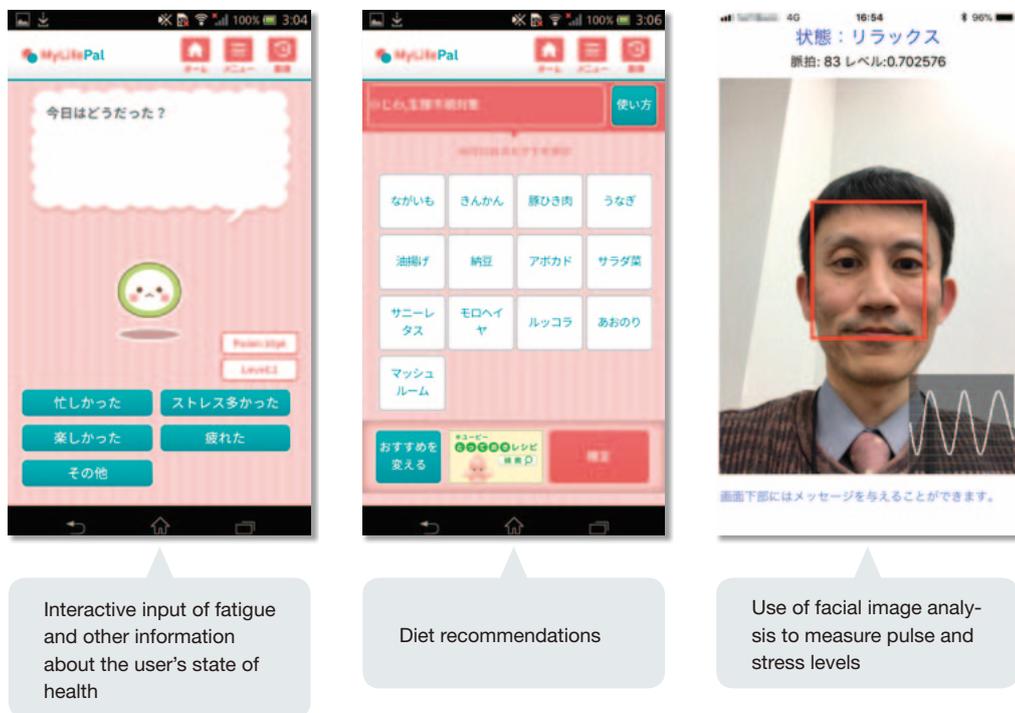
Launched in 2015 as a three-year project, Make a Difference! has completed the landmark of its third year. In addition to the mobile subscriber analytics entry mentioned above, many winners of the FY2016 business plan contest are already becoming part of Hitachi’s business and other activities, including the MyLifePal healthcare app (see [Figure 4](#)) that is currently the subject of an in-house trial.

However, Arakawa and other project office members, including Rissen who has ushered the project through, still feel that they are only half-way to their twin objectives of fostering an “I will” mindset and organizational culture and creating new businesses.

Arakawa expressed her enthusiasm by saying, “The work we have done over the last three years is still insufficient when it comes to reforming our organizational culture. Moreover, employees will lose interest if we keep repeating the same old things, so we will be thinking about what we will need to do for year four and beyond.” Likewise, Doble commented that, “I hope that we can help to achieve One Hitachi that can thrive globally, while also thinking about how to get employees involved.” Rissen, meanwhile, expressed his hope

Figure 4 | Screen Shots from MyLifePal Healthcare App

In addition to managing user health data such as sleeping and eating habits, the MyLifePal app can also use a Hitachi technique for facial image analysis to measure pulse and stress levels.



of “Creating new businesses from the winners of Make a Difference!”

Having started as a project for mindset reform, Make a Difference! will be moving on to a new stage in FY2018. Of the management resources of people, goods, and money, it is people who are most important for generating innovation in society. High hopes are being placed on Make a Difference! to foster an organizational culture in which everyone feels enthusiastic about what they are doing, and also employees who are capable of doing business around the world.