Feature: Roundtable discussion on diversity and inclusion

Respect for all is our bedrock for global growth

Diversity and inclusion (D&I) are high up on the SATO Group's agenda for sustainable growth. Our external director Yuko Tanaka and executive officers Hironori Onishi, Miki Takei and Naomi Maze talked about where we are now in the effort and how we proceed from here.

The keys are in the top management's commitment and actions underpinned by corporate values

Tanaka An organization needs to promote D&I to catalyze its own transformation. The SATO Group undergoes a major transition, with globalization being a part of it. Thanks to efforts that started a while back, more than 40% of its sales now come from outside Japan and half its employees are non-Japanese. As the geography of and employee mix in our business change, the company's ability to adapt fast is crucial. We welcome the fact that more diverse employees now contribute to discussions across the company, and we should further this trend. For Maze and Takei, who were appointed as executive officers this April, I have high hopes that you, as female leaders with experience in other industries, will provide candid opinions to broaden our perspectives.

Maze Companies that are successful in promoting D&I have two things in common: the top management's commitment and actions that align with corporate strategy and values. D&I drive innovation, as diverse opinions and values mix to create new ideas and initiatives. The management needs to correctly understand the significance and impact of becoming a more diverse and inclusive company and champion them. And showing to employees that D&I are part of the corporate strategy, values, credo and motto also helps bring everyone on board.

Takei I think efforts to promote D&I resemble corporate branding activities in nature. Neither bears fruit right away, for instance. We must work at them patiently and with focus. As employees are the ones that would translate principles of D&I into concrete actions, they need

to understand why D&I matter. Token measures designed only to impress do not work. We must consider ways to promote D&I as actions grounded in corporate values and put systems in place to facilitate the efforts.

If each member of the company has a clear, common understanding of what our brand is and why we value D&I, our customers and other stakeholders will notice the difference we are making.

The culture of respecting individuals is already built into SATO's business activities

Onishi At Sales Headquarters here in Japan, we take D&I seriously, but there is still plenty of room for improvement. Our job is to help customers across industries and markets solve their operational pain points, and it is the individual employee facing these customers and pain points that sustains our growth.

D&I are best learned through experience rather than lectures. Our workforce is age-diverse, and many come from different companies. Picking up on the different experiences and views of each and every employee can set off a series of changes that would make us more diverse and inclusive to transform the company. The seeds are already planted throughout the company; if we could grow them as a group, we should see progress.

Maze True, we do have some of what it takes to be truly diverse and inclusive, in the form of activities and systems that embody our corporate values and highlight the value of individuals.

One such example is the Credo Awards World Cup. It is a global event that recognizes employees who have



demonstrated the company's credo through their actions. Another is Teiho, launched nearly 50 years ago. This system of employees submitting reports to top management also exemplifies the company's culture of respecting individual opinions. Improvements are continuously made to the Teiho system and its operation, including a recent addition of a new category of reports called Make-a-Ripple Teiho. (
Page 41)

Many departments have their own, similar actions reminding their members to appreciate the value each individual brings and creating a sense of unity among employees around the globe. Rarely have I seen a company doing so much to such a degree; I'm sure these unique activities and systems will help drive the company's push for D&I.

Managers need to listen to their team members; D&I promotion needs to be in line with the nature and strategies of the company's business

Takei I feel that what employees, particularly the young ones, expect from their work and managers seems to be changing. They want fulfillment more in knowing that their work leads to their own growth rather than in gaining a sense of accomplishment, and they look to their managers for daily coaching rather than leadership. Line managers are key to maximizing the teams' performance. They need to be aware of these changes and listen to the voices of their members in their daily work.

Maze As Onishi said, the actions of each individual employee are central to our business. Human Resources Department is working to develop employees who can

think, act and initiate changes on their own, and building systems that facilitate the effort. (Pages 40–41) We are taking it step by step, listening to employees and driving workstyle innovations such as paternity leave.

Onishi The Sales Headquarters is now taking an "All-in sales" mindset, creating customer touch points at functions other than sales to build customer relationships, and allowing salespeople to focus more on complex sales opportunities. As part of the effort, we are assigning people to jobs by looking at the knowledge, experience and life stages of every individual to make sure everyone has a place to shine while contributing to the sales strategy. For example, we assigned an employee with childcare commitments to an inside sales* position that offers more flexibility in where and how long one can work. Our sales strategy eying Tagging for Sustainability now has us taking a more consumer-oriented approach, which mirrors the greater awareness customers have on societal and consumer interests. To understand these changes and continue creating solutions that answer to them, we must see from a broad perspective, which is precisely why D&I are essential for us and our business expansion.

*A team that conducts sales activities through phone, email or internet.

Tanaka As a company that continues to extend its global reach, SATO must promote D&I building on the cultural foundation it already has of respecting individuals. I hope SATO discloses more of what it does to the greater public so that it continues to win respect and recognition from a broad spectrum of its stakeholders.