

Our people and culture

The Fujitsu Group is working on its own transformation by implementing various measures to strengthen data-driven management, the evolution of Group employees into DX talent and the resulting enhancement of productivity, and the promotion of DX with the participation of all employees on an ecosystem platform. We are determined to achieve sustainable growth by enhancing organizational mobility through the execution of a human resource strategy that is consistent with our business strategies, encouraging employees to develop their careers autonomously, and strengthening our competitive advantage through the transformation of our business processes and corporate culture.



Human resource management

Overall human resource strategy

Human resources are the driving force behind the Fujitsu Group's transformation and its progress toward the realization of "Our Purpose." As we move away from a business model based on the development and operation of custom-made IT systems for each customer company and work as a DX company to solve our customers' business challenges and the social issues that exist beyond them, the importance of human resources is increasing even more as they are the source of the value we provide to our customers. In addition, in order to transform the business model and organizational culture, it is essential that Group employees understand the significance of these transformations and are willing to work on them themselves.

Based on its human resources and organizational vision of "a company that creates innovation everywhere in society by bringing together agile and versatile people from inside and outside the Company," the Fujitsu Group promotes various measures and monitors their progress and effectiveness through employee engagement , one of its non-financial indicators.

Aligning organizational and human resource strategies with business strategies

Job-based human resource management, which clarifies the responsibilities and human resource requirements associated with a specific job, is not only the standard in global organizations but is also an excellent mechanism for flexibly designing the organization and reassigning talent according to business strategies. For employees, there is also the great benefit of gaining many opportunities to take on attractive work challenges and options to develop their careers autonomously. The Fujitsu Group introduced job-based human resource management, which was already widespread in regions other than Japan, to executives working in Japan in April 2020 and to all employees in April 2022, and is making progress toward the establishment of a globally unified human resource management framework.

For job-based human resource management to function, not only the human resource allocation system but also the personnel evaluation and compensation systems must be designed in an integrated manner. The Group rated the job responsibilities of Fujitsu and its domestic Group companies' personnel based on common global standards and set monthly compensation according to the rating and market level. In addition, the system that has been used to evaluate executives from the three perspectives of "impact on society and customers," "behaviors," and "learning & growth" was expanded to non-managerial employees in April 2022 as the common global "Connect"  evaluation system.

Furthermore, authority has been delegated to business units (BUs) to formulate new graduate and mid-career hiring plans and assign hired personnel that are highly relevant to the strategies of each BU, whose duties were previously handled collectively by the corporate division. This enables

flexible recruitment, training, and assignment of human resources to be in line with the BUs' business strategies, while also strengthening the system in which the corporate division supports the BUs, thereby ensuring consistency with the human resource strategy of the entire Group.

Raising wellbeing

"Wellbeing"  is the value that underlies the Fujitsu Group's human resources and organizational transformation. Employees can continue to learn and grow on their own initiative in order to realize their career objectives, receive appropriate and fair compensation commensurate with their roles and contributions, build and maintain trust and good relationships with colleagues, family, and friends, and maintain and improve the physical and mental health of themselves and their families. All of these contribute to wellbeing.

Concerning career development in particular, we have put in place a variety of measures to encourage the evolution of our employees into DX personnel. The term "DX personnel" here does not refer to those who have acquired digital technology as a skill, but rather to those who can continue to transform themselves from the perspective of Our Purpose. This is important as the "DX" that the Fujitsu Group is aiming for emphasizes not only the use of digital technology but also the transformation of organizational culture and the mindset of employees. Based on this concept, the Group has introduced a system that fosters ownership of one's own career and has built an educational platform that supports autonomous learning and growth in accordance with employees' individual career vision and the jobs and challenges they want to take on.

The Work Life Shift (WLS) initiative launched in 2020 also aims to improve wellbeing. WLS promotes change through three approaches: "Smart Working," which enables employees themselves to choose the optimal workstyle according to their types of work, objectives, and lifestyles; "Borderless Office," which allows employees to freely choose their office environment according to the objective and content of their work; and "Culture Change," which aims for a corporate culture based on high degrees of employee autonomy and mutual trust.

Employee engagement

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Connect

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Wellbeing

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Internal job posting system

The internal job posting system is a system that allows employees to select their own opportunities to transfer or pursue higher internal positions in line with the career plans they wish to realize. We have introduced a system whereby vacant positions within the Group are made available to the entire Group through a dedicated intranet site, and any Group employee can apply for them. This is intended to encourage mobility and diversity of human resources, assign the right people to the right positions, and foster an open and stimulating organizational culture.

In the fiscal year ended March 31, 2022, there were 6,187 applicants for 4,100 positions available, of whom 2,076 were successful; and in the recruitment for new executive appointments, there were 1,030 applicants for 660 positions available, of whom 578 were successful. Employee engagement survey results also indicate that transferees who use the posting system tend to be more engaged, particularly those who value “satisfaction” and “equal opportunity.”

In April 2022, we introduced the “Global Posting System,” which extended the existing posting system available to employees working in Japan. Open positions that require global recruitment will increase opportunities for employees to advance their careers and promote strategic talent management and [diversity, equity & inclusion \(DE&I\)](#) in the workplace.

Responses from users of the posting system (engineer position)

- ▶ I felt that I had “done what I could” in my old department and applied for a new post. The move has given me new knowledge and ideas, and new relationships with people I never would have met in my former position.
- ▶ The posting system expanded at a time when I wanted to move to a new position if the opportunity arose; as it turned out, there was an opening for a job that seemed like a meaningful challenge and where I could make use of my past experience. I feel that the move has given me insight into the optimization of practices and operations that would have been easy to miss if I were working in the same department for a long time.
- ▶ The start of job-based human resource management has made me want to acquire diverse experiences and skills while I am still young. Since I was transferred to a position that I am interested in, I feel highly motivated to work in this area, even though I am still unfamiliar with it and find it challenging.
- ▶ I took up the challenge to use the posting system as I wanted to use my acquired qualifications and new skills in my work. The transfer motivated me and gave me a fresh mindset, as if I were a new graduate recruit again.

Connect

“Connect” is a common global personnel evaluation system. The aim of this system is to connect the Fujitsu Way, the vision that each department and organization wants to achieve in the future, and various personnel measures through dialogue between the individual and their supervisor, starting from the individual's personal purpose and Our Purpose. The main objective is to encourage each employee's independent growth and action through consistent evaluation from the perspective of Our Purpose, thereby providing value that has an impact on our customers and the society that exists beyond them.

Evaluation is based on the following three metrics: Impact (magnitude of impact), which evaluates the degree of contribution and influence toward the realization of Our Purpose and Vision; Behaviors (actions), which evaluates actions in line with the Fujitsu Way's “Aspiration,” “Trust,” and “Empathy”; and Learning & Growth (growth), which evaluates the growth of oneself and the team to which one belongs. The final evaluation is intended not only to be reflected in salary increases and bonuses but also to help employees improve their skills and take on greater responsibility while presenting growth opportunities.

One-on-one meetings

One-on-one dialogues between managers and their subordinates, or “one-on-one meetings,” are a forum for dialogue between executives and employees to provide advice and feedback for growth. The Fujitsu Group places great importance on one-on-one meetings as the foundation of its job-based human resource management. These meetings are important as they enable employees to align the vision of the department or organization with the direction of their individual careers and to discuss their growth opportunities and future career goals with their managers and receive feedback.

The one-on-one meetings are regular communication between managers and their subordinates that take place at least once a month. Their purpose, however, is not to report and discuss daily work but to confirm, clarify, and give concrete form to the aspirations and growth of the employees. To facilitate communication, the Fujitsu Group regularly advises managers and all employees on points to discuss in one-on-one meetings and has introduced tools to help them prepare in advance.

Fujitsu Learning EXperience

The Fujitsu Group has introduced the Fujitsu Learning EXperience, an on-demand education platform that allows all employees to set goals according to their career aspirations and strengths and learn what they want to learn anytime, anywhere. In the fiscal year ended March 31, 2022, more than 50% of all global Group employees were eligible for the program. In the past, the human resources department was primarily responsible for formulating training menus and implementing them at a set time for a predetermined target group, whereas Fujitsu Learning EXperience is characterized as an on-demand type of program that allows all employees to take courses at their own discretion. Through a partnership with Udemy, one of the world's largest online video learning platforms, the service offers approximately 9,600 courses,* which can be accessed from both PCs and smartphones. Fujitsu Learning EXperience also has a function for recording learning history and recommending courses to take based on one's career aspirations and strengths, and positions to apply for in the future. In addition, we provide content that inspires and motivates employees, such as videos of diverse personnel sharing their knowledge based on their own experiences and their passion for learning.

* As of February 2022

Global Strategic Partner Academy

In December 2021, the Fujitsu Group launched the "Global Strategic Partner Academy," a common global online education program that enables participants to acquire cutting-edge digital technology and know-how.

This program is being implemented in cooperation with ServiceNow, SAP, and Microsoft, three of the Fujitsu Group's strategic technology partners and providers of leading IT services that are widely used worldwide. Specifically, the program will provide Group employees worldwide with access to leading digital technology and know-how related to the services of the three companies. In addition to knowledge-based training and certifying personnel, we regularly conduct practical programs that provide useful experience when interacting with customers.

Currently, the Fujitsu Group is in the process of creating a framework to globally unify the skill sets and hierarchy of its personnel, including business producers and system engineers who are responsible for providing services and offerings, including those in the [GDCs](#). By incorporating this program into this framework, we plan to contribute to the career development of our employees and sustainably expand the pool of personnel with highly specialized knowledge, skills and know-how, even as the shortage of IT engineers becomes a global issue.

Global Fujitsu Distinguished Engineer

The Global Fujitsu Distinguished Engineer (Global FDE) is a new system based on common global standards that certifies top-notch engineers who have outstanding technical capabilities in the areas important to our business strategy and that contribute to our growth. As of March 2022, 32 employees worldwide have been certified as Global FDEs. Global FDEs are the "face" of the Fujitsu Group, and in addition to working to create value on the business front lines, they are also active in the global technology community through participation in conferences and collaboration with research institutions, thereby contributing to enhancing the presence of the Group.

exPractice

exPractice, a term coined by combining the words "experience" and "practice," refers to the attitude of practice that is the driving force behind the Fujitsu Group's DX. More specifically, it is a program created in the process of designing mechanisms for change under Fujitra, a Group-wide DX project, and aims to create a state in which employees are engaged in change as "their own, personal matter." We have organized various skills and frameworks related to DX and set "Purpose," "Design Thinking," "Agile Development," and "Data Science" extracted from them as components of "exPractice in DX" to provide programs that encourage learning and practice. We expect that the practical attitudes acquired by employees through the program will become the driving force behind the transformation of the department that they belong to and the Group-wide DX theme.

Business producers

Sales personnel, who are at the forefront of our business as the point of contact between the Fujitsu Group and our customers, are responsible for the work associated with existing business with our customers and for meeting their expectations of the Group to lead and support DX that transforms their business. In order to meet the challenges of these changing customer needs on the sales front line, the Group is working to transform sales personnel in Japan into “business producers.”

The role of a business producer is to make proposals that exceed customer needs. Our goal is to break away from the traditional sales approach of starting from the written request presented by the customer’s IT department, as we aim to discover the true management issues and needs for change through our approach to the customer’s management and business departments and to provide value as a leading DX entity.

Based on these characteristics of a business producer, since the fiscal year ended March 31, 2021, we have conducted training programs for approximately 8,000 sales personnel, lasting up to approximately four months or more, that systematize the knowledge and skill sets essential for DX, including “Design Thinking” and “Agile Development.” At the same time, we are working to create value as a DX partner for our customers by encouraging business producers to take on new challenges, in such means as supporting a shift in mindset and practical implementation in the field of business through the development of a system to check the improvement of one’s skill level and practical guidelines.

Highly talented professionals

With the aim of maintaining and strengthening its competitive advantage as a DX company, the Fujitsu Group introduced in the fiscal year ended March 31, 2021 a new plan to allow compensation to be designed to contribute to the acquisition and retention of highly talented Group internal and external professionals. In the IT services industry, competition for talent is intensifying, especially in fields such as cybersecurity, AI, and data science, and it is essential to take into account the market level of compensation for highly talented professionals in order to recruit and retain the best talent. For this reason, the Fujitsu Group has introduced a compensation system that allows for flexible design of compensation in light of level of expertise and market value, while also reviewing the system in line with market trends.

Gender diversity

The Fujitsu Group promotes [DE&I](#) in its [GRB \(Global Responsible Business\)](#), and in addition to respecting diversity, the Group promotes initiatives that emphasize building employees’ sense of fairness and transforming their mindset to encourage the success of each and every one of its diverse human resources.

At present, women hold only a small share of jobs in the IT services industry globally. Given that the shortage of IT personnel is expected to increase further in the future, raising the absolute number of female Group employees and the ratio of female managers at the leadership level is essential for achieving sustainable growth. With this in mind, we have set the ratio of women in leadership positions as one of the two DE&I indicators, and we are striving to create an environment in which women can and want to pursue promotion.



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A female manager’s view

The change in workstyles associated with the Work Life Shift introduced in 2020 was the catalyst for my decision to seek promotion to a managerial position. The change to an environment where I could choose where and when to work encouraged my desire to pursue my own career while also raising my family. I also feel that the monthly one-on-one meetings with my supervisor have been very effective and helpful. They were an opportunity for me to discuss my career development issues and concerns about promotion to management positions in a casual and frequent manner. In addition, the fact that the Fujitsu Group offered training programs such as Learning EXperience, which could easily be taken on a smartphone during free time to help improve skills and advance careers, prepared me for the endeavor.

I am acutely aware that it is very challenging to continue working while raising children, regardless of whether or not you are in a management position. However, I hope that if female managers become more common, other female employees will feel that promotion to a managerial position is something that they can also achieve. In addition, if more female managers enjoy (or appear to enjoy) their work–life balance, their views and thinking may change from “it seems like a lot of work” to “it’s an opportunity for a big change.”

I believe that we need to make a series of such changes until they become commonplace, in order to create an environment in which people who have been putting off thinking about their careers due to anxiety over balancing work and home life can easily take on the challenge of a new career.

DE&I

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GRB (Global Responsible Business)

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Organizational transformation

Organizational change under Fujitra

Digital transformation (DX) refers to a process whereby companies respond to rapid changes in the business environment and utilize data and digital technology to transform their products, services, and business models based on the needs of customers and society, as well as their business processes, organizations, and corporate culture and climate to establish a competitive advantage.* In 2020, Fujitsu launched the Groupwide DX project Fujitsu Transformation, or “Fujitra,” based on the recognition that “formalizing DX” based on our own practices is essential for the Fujitsu Group to provide services and create value as a DX company.

The goals of the Fujitra project are to analyze, test, and implement digital transformation, integrating the whole organization, as well as to establish a “Japan-style” digital transformation project that will serve as a model for our domestic customers. Fujitra does not simply promote the use of digital technology in the business, but is characterized by its focus on breaking down and reforming rigid organizational culture, including siloed vertical organizations and over-planning among divisions and departments. In other words, Fujitra is synonymous with total internal reform.

The project is led by a steering committee, comprising 10 executives from the corporate and sales front divisions, including CEO and CDXO Takahito Tokita; CIO and Deputy CDXO Yuzuru Fukuda; COO Hidenori Furuta; and CFO Takeshi Isobe. Under them, DX officers selected from 26 divisions and four Group companies in Japan, as well as from the Europe, Americas, and Asia Pacific regions, gather insights gained in the field and work across divisions to promote reforms. The DX officers are also responsible for disseminating Groupwide initiatives to each division and region and leading DX at the division level. Under their leadership, a cumulative total of more than 150 transformation themes were identified by September 2021, and initiatives are in progress in all divisions and organizations of the Group.

One Fujitsu program

As part of Fujitra, Fujitsu is promoting the One Fujitsu program to create a framework to support the Fujitsu Group’s data-driven management. This is an ambitious challenge aimed at standardizing management, operations, and processes globally across the Group. To achieve this objective, a Data & Process Owner (DPO), a position reporting directly to the CEO, has been appointed for each business area, including marketing and sales, service delivery, and purchasing, with each DPO leading standardization across businesses and regions.

In the One Fujitsu program, digital technology is only a means to achieve standardization. The construction of the Enterprise Resource Planning (ERP) system is currently underway in line with the progress of standardization. This system was initially launched in the UK and Ireland in April 2022. Ultimately, under a “single global ERP” management, operations, and IT will be integrated

to realize an evolution that culminates in data-driven management based on data that is granular, up-to-date, and precise. In April, we launched OneCRM in Japan, and global standardization of pipeline management is steadily progressing.

“Fujitsu VOICE program”

The “Fujitsu VOICE program” is a framework that uses digital technology to collect qualitative “voices” such as feelings, reactions, and experiences frequently and in large quantity, and combines them with quantitative performance data such as sales performance, production records, and business results for analysis in order to lead to actions based on accurate insights into the background and reasons for specific events and actions. By accurately understanding the “why” behind things, it is possible to make judgments about a company’s management issues and what lies behind them, to predict the next changes to come, and to continue to take actions based on such judgments and predictions.

Fujitra, which operates under the banner of “DX for All,” incorporates the voices of customers and employees collected through the “Fujitsu VOICE program” into the decision-making process, thereby speeding up decision-making, changing behavior, and uncovering new insights, in order to strengthen its competitiveness. When the Fujitsu Group takes customer feedback seriously and takes prompt action, customers’ expectations of the Group will increase. For employees, if their voice leads to management change, they will be more aware that they play an active role in the change. In other words, they will have a greater sense of engagement. In this way, we aim to synergistically increase the value of both the customer and employee experience.

* Based on the definition in “Assessment Indices for Digital Management Reforms (‘DX Promotion Indices’)” by the Japanese Ministry of Economy, Trade and Industry https://www.meti.go.jp/english/press/2019/0731_001.html

Increasing empathy with Our Purpose and the Fujitsu Way

Promoting purpose-driven management

In order to realize Our Purpose, it is necessary to bring together the thoughts of every individual employee to generate greater power. Within our vision of purpose-driven management, all employees shall explore their own personal purpose and how this purpose overlaps with Our Purpose, so that they can recognize the responsibilities and roles they shall fulfill at Fujitsu; when employees focus on their own purpose and create innovation to achieve self-realization, we can grow together. The Fujitsu Group is promoting Purpose Carving® as a Groupwide dialogue program in which employees are asked to identify and express in words their personal purposes to become the driving force of change.

In order to promote purpose-driven management, we first held a town hall meeting where management and the heads of divisions from around the world held a dialogue about purpose-driven management. During this dialogue, all participants declared their commitment to what and how they would change as the head of a division and the first step to achieve it. To realize Our Purpose, it is important for the leaders to express their thoughts on the vision of the organization, to elicit the empathy of their colleagues, and to encourage each of them to think for themselves and take on challenges. We also held a “vision pitch” session where the heads of each division discussed and commented on their organizational vision in order to formulate an improved organizational vision that people can empathize with even more.



Pitching visions

Initiatives for the Groupwide promotion of the Fujitsu Way

To raise awareness of the Fujitsu Way within the Group, we are implementing various communication measures, such as holding various briefings for all employees. We have appointed leaders responsible for promoting the Fujitsu Way at Fujitsu and Group companies in Japan and overseas. These leaders play a key role in establishing a corporate governance structure to promote the Fujitsu Way. In addition, Fujitsu Way meetings are held every six months to a year between the CEO and the leaders. In addition, throughout the year, each of our organizations holds town hall meetings with the CEO and shares best practices with frontline divisions. Through these and other activities, we are working to raise the level of understanding of the Fujitsu Way throughout the world.



Fujitsu Way Manual

Internal award for promoting realization of Our Purpose: Sustainability Contribution Award

The Sustainability Contribution Award is an internal award established to promote the realization of the Group's Purpose. In order to create the sustainable society that Fujitsu envisions, each and every one of us, under the business policy based on Our Purpose, must transform and create new value. The Sustainability Contribution Award therefore recognizes not only output that contributes to society but also cultural change at the organizational level that promotes the reimagining of old practices.

In fiscal 2021, we received a total of 166 applications from Fujitsu Group companies worldwide and awarded two Grand Prizes for “Integrating various stakeholders by offering transparent supply chain solutions to solve social issues” and for the “Global Delivery Responsible Business Program (GRiP)—Creating long-term impact through education (educational volunteer activities) in local communities.” In addition, seven awards for excellence and 39 special awards were given. We share award-winning cases and best practices within the Group to broaden empathy for sustainability initiatives and to further step up our efforts.

For details on the transformation of our corporate culture, please visit the following website:
<https://www.fujitsu.com/global/about/csr/transformation/>