

Personnel Issues

ACTIVE 21

DENSO drew up ACTIVE 21, a set of Companywide human resource policies embodying the DENSO VISION 2005 long-term management blueprint. This calls for DENSO to open the door to possibilities for society, customers, and employees. In accordance with these policies, numerous measures were applied between fiscal 1998 and fiscal 2000 to transform the thinking of DENSO employees.

The Three Desired Attributes of the DENSO Employee

ACTIVE 21 is intended to ensure that each employee's potential is brought into play. Its basic concepts are instilling in employees a willingness to proactively take on challenges without fear of error, a professionalism that commands a high level of expertise and skill necessary in various fields, and a broad global outlook in attitude and action.

▼ The Three Desired Attributes of the DENSO Employee

A Willingness to Take On Challenges

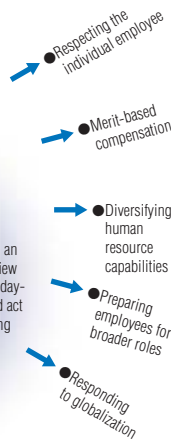
Unafraid of making mistakes and willing to take on new challenges, and original in creation of value—these are the values DENSO is seeking to instill in every employee, while respecting individual initiative and rewarding the employee on merit.

Professionalism

DENSO is striving to attract and groom individuals who have acquired a high level of technical expertise in a variety of fields to further their careers and to provide opportunities to make use of these skills inside and outside of the Company.

A Global Outlook

On a daily basis, DENSO has created an environment where employees can view issues from a broad perspective on a day-to-day basis, think internationally, and act accordingly, with the aim of nurturing personnel who can take part in successful operations around the globe.



The Five Pillars

DENSO has implemented a variety of systemic changes to encourage employees to embody the three desired attributes. To this end, the Company has created “The Five Pillars.” These five pillars are used to generate new possibilities for employees.

① Respecting the individual employee

To spur employees' consideration of career development, the Company has introduced a variety of support activities, such as a career planning seminar for employees in their 30s, a career counseling system, “ACTIVE Seminar” training programs, the “FA” rotation system, which allows employees to switch jobs without approval from immediate superiors, and a comprehensive job rotation system for administrative positions. The majority of employees have already used these systems.

② Merit-based compensation

DENSO has introduced a system of employee evaluations and a merit-based pay scale. Employees are encouraged to set and aim for high targets. DENSO is creating a system that takes into account employee initiative and seeks to raise employee satisfaction regarding their evaluations.

③ Diversifying human resource capabilities

To cultivate professionalism, DENSO has revised its policy of encouraging all employees to strive to become managers to one that encourages them to make better use of their individual skills and expertise.

④ Preparing employees for broader roles

DENSO is implementing career planning seminars for employees in their 40s, helping them to recognize their strengths. Within DENSO's working-level departments, the Company has created support activities to help employees maintain a high level of physical health.

⑤ Responding to globalization

DENSO has created a menu for foreign-language training, which is the fundamental skill required for taking part in global activities. DENSO is offering international management training, cross-cultural training seminars, and other training programs. The Company also undertakes the training of its staff at overseas subsidiaries and is supporting the revision of the human resources system at each of its operational bases.