Quality Promotion Framework

To promote Group-wide quality activities, the TEL Group has established a quality promotion framework headed by the President and, below him, the Senior Executive Vice President, who is also General Manager (GM) of the Development and Manufacturing Division. Important quality issues and common issues are addressed through mutual cooperation between the presidents of the Group companies and the Quality GM. For cross-divisional quality promotion activities, the TEL Group has established five working groups, namely, the Technology Control Committee, Production GM Committee, Material GM Committee, Quality GM Committee, and Software GM Committee. These committees cooperate with each other for efficient and stable quality control, with the goal of improving customer satisfaction.

The TEL Group has also promoted the acquisition of ISO 9001 quality management system standard certification. Since 1997, 10 locations, primarily manufacturing companies, have obtained the certification and plan to maintain it.

Initiatives to Improve Quality

Quality Management and Quality Control Examination (Certification) (QM/QC Examination)

To promote high-quality manufacturing according to customer needs, the TEL Group carries out cross-sectional quality improvement activities on an ongoing basis not only at directly involved departments such as development and design but also at departments concerned with planning/sales, administration and services. As part of these efforts, we encourage Group employees to take the QM/QC Examination and get certified. Administered by the Japanese Standards Association and the Union of Japanese Scientists and Engineers, this examination is a major quality certification test, with the number of holders in Japan totaling more than 278,000 (as of March 2015). The certification enables employees to improve their awareness and skills in the area of quality control, improve the quality of their work, and provide customers with high-quality products. With this initiative, which started in fiscal year 2012, the number of certified employees has increased each year to reach a cumulative total of 880 as of the end of fiscal year 2015.

For customer satisfaction

To incorporate customers’ opinions and provide products and services of higher quality, we have conducted a customer satisfaction survey since 2003. In fiscal year 2015, we went one step further and established a mechanism to help the entire TEL Group incorporate customer opinions in order to provide products and services that satisfy customer needs in a more effective manner. In an effort to accurately understand customer opinions so that we can reflect them in our products and services, we include in the written survey specific questions that help us design improvement activities at a working level.

We share the results of the survey across the Group and clarify departments in charge before we carry out the formulation, execution, and follow-up of an improvement plan. We carry out these PDCA activities on a continual basis so as to deliver even greater value to our customers.

As a result of these quality improvement activities aimed at better customer satisfaction, quality costs (that is, complaint-related costs) have decreased for three consecutive years since fiscal year 2012. In each of the recent two years, the costs decreased by 15% on a year-over-year basis.