

# Nurturing Leaders and Global Management

The development of global human resources is an ongoing theme for the Komatsu Group. We are nurturing human resources that can play an active role on the global scene, to develop the next generation of leaders in a timely manner, and to train employees in our global operations to take on positions in management.

## Nurturing the Next Generation of Leaders

We have been holding the Top Management Forum and Global Management Seminars since 2006, targeted at top and senior managers of our global subsidiaries. The forum and seminars have been attended by 50 persons so far. The purpose of the seminars is to deepen the understanding of Komatsu's corporate strategy, The KOMATSU Way, and of leadership in general, through the discussion with the President and top management, and provide opportunities to engage in group discussions, to share information and build teamwork. On the last day of training, participants are given an opportunity to present proposals to top management on the practice of The KOMATSU Way.

A follow-up meeting was held in the Global Management Seminar in 2008, with 15 former participants of this seminar in attendance. This meeting was used to further deepen the understanding of The KOMATSU Way outreach and human resource development.

In 2009, seminars were inaugurated for "The KOMATSU Way Leadership Development Program", to train middle level managers from all over the world. The first seminar was held in Shanghai, China. In 2010, the second seminar was held in Jakarta, Indonesia, and the third again in China. Even though nurturing employees for top management positions is important, superior mid-level management potential is essential for the actual implementation of policies. Noting that human resource development is an urgent matter, especially in China and Greater Asia, where the market is rapidly growing, we continue to support such career development activities.



Seminar held in Shanghai, China in November 2010, attended by 24 persons

In the spirit of global teamwork, we will continue to share our values, and focus the Group's power in the same direction, as we continue to pursue growth.

## Pursuing Localization of Global Management

Komatsu is actively promoting localization of management at its global subsidiaries. This policy is based on the belief that Komatsu's differentiation and competitiveness are grounded in Japan's culture of *Monozukuri*. The company encourages placing the management of subsidiaries in the various regions, each with its own historical and cultural background, into the hands of local nationals. This is in view of the fact that the majority of consolidated Group employees are non-Japanese, although the company remains rooted in Japan.

### **Voice** In South Africa, People of South Africa run our Japanese company



**Michael A. Blom**  
President  
Komatsu Southern Africa (Pty) Ltd. (KSAf)

In 2008, I was the first non-Japanese person to be appointed President of KSAf. This was eleven years after KSAf was established, and 27 years after I joined Komatsu Southern Africa at age 20 (1981) and was put in charge of parts procurement.

I believe that KSAf succeeded in making its management national because the successive generations of Japanese presidents, each in their own time and in their own way, dedicated themselves to building the company system and developing national management. And this success story spawned a philosophy that can be summed up in the words: "In South Africa, people of South Africa run our Japanese company." In order for the company and staff to grow, we, as a member of the Komatsu Group, which has its roots in Japan, must understand what is required and operate in a way that best fits local needs, by connecting this understanding with local wisdom and knowledge.