



Feature

Enhancing Manufacturing Around the World by Training the Next Generation of Plant Operators

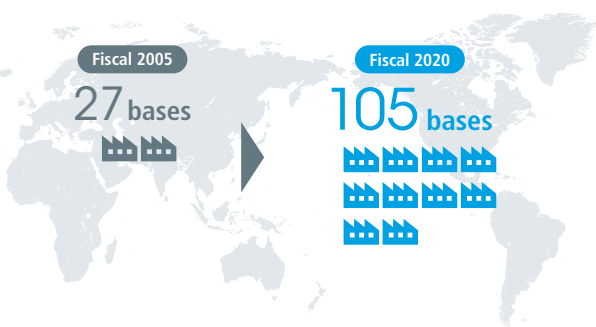
Why is it important?

Daikin Supplies Products Using the Optimal Formats Tailored to Markets Around the World

With its business operations expanding globally, Daikin is promoting market-localized manufacturing where products are made according to local needs, in order to provide solutions in tune with market needs at the right prices.

To achieve this, it is important that we expand the Production of Daikin System (PDS), which encapsulates our basic approach to manufacturing, and increase the autonomy of each production base. We are encouraging production bases to develop human resources who are resourceful, take action, and make their own decisions based on market trends.

Increasing Number of Production Bases



DAIKIN'S APPROACH

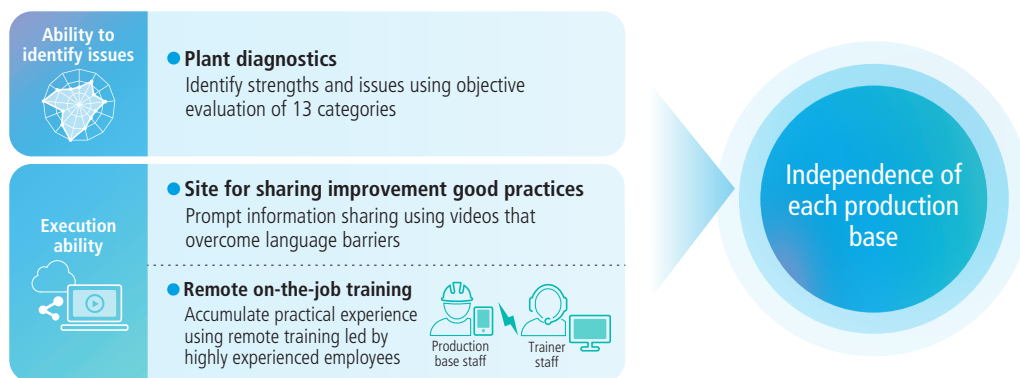
Building a Mechanism for Developing the Next Generation of Plant Operators

Traditionally, Daikin has operated its production bases around the world using Japanese expatriate employees dispatched locally to manage operations. Following the expansion of our overseas network of production bases, however, we are now developing local human resources at each of our production bases who will lead optimal production tailored to local region and market. The advanced nature of plant operation skills for overseas production bases varies widely depending on such factors as facilities and the period since establishment. We are implementing two measures to raise the bar of operations at each of our production bases.

First is plant diagnostics that helps to improve the ability to detect issues. Using a tool that evaluates the operation level of each production base according to the same standards, we measure capabilities for individual categories including technological capabilities, quality, safety, cost control, and environment. This enables us to foster a mindset among the heads of production bases and management supervisors to strategically enhance their respective production base's strengths, find issues, and make improvements. Second is W-MIPS*, a site for sharing examples of improvement good practices that promotes continuous

Human Resource Development Encouraging Production Base Independence

Improve abilities to identify issues, make improvements and execute



improvement at our plants. Each production base submits videos of their improvement activities. The solutions in these videos are then incorporated by other production bases as good practices. This encourages the mindset of sharing positive outcomes with other production bases. The number of video submissions has exceeded 260, with this site now actively used as a place for exchanging information between production bases.

These measures have increased recommendations on approaches to manufacturing and improvement good practices from the heads of production bases and management supervisors. As a result, we are steadily enhancing the skills of human resources responsible for plant operations at our production bases.

* An acronym that stands for World, Wisdom, Monozukuri, Improvement cases, Providing site.

DAIKIN'S PERFORMANCE

Local Staff Quickly Added Capacity to Production Lines in Response to Growing Demand from the COVID-19 Pandemic

In 2020, Daikin Malaysia Sdn. Bhd. quickly established a new production line for air purifiers to capture increased demand worldwide from the COVID-19 pandemic.

Due to travel restrictions, on-the-job training typically provided by Japanese national employees in-person and on-site was switched to a remote environment. Local staff took the lead in all aspects of production line establishment, from process design to prototypes, facility procurement, installation work management, and operations. Despite this being their first time, the local staff successfully launched mass production at the end of December 2020 as planned.

These experiences are helping to further

increase Daikin Malaysia Sdn. Bhd.'s autonomy and speeding up its efforts to improve operations.

A New Experience Beneficial to Career Advancement

Khong Chun Fei
Senior Manager
Production Engineering
Daikin Malaysia Sdn. Bhd.



This marked the first time that Daikin Malaysia Sdn. Bhd. built a production line for air purifiers mainly on its own. We repeatedly gathered information, researched processes, and explored designs, with the aim to make this the best production line possible. In the end, we were able to live up to expectations. I hope to use the new and exciting knowledge I gained from this experience to advance my career in the future.

NEXT CHALLENGE

Expanding Independence Initiatives to Production Bases Around the World

Looking ahead, our regional primary bases will be used as a focal point for entrenching plant diagnostics, W-MIPS, and remote training globally while working closely with staff in Japan.

Through these measures, we will continue to foster human resources at each production base who understand the foundation of PDS, which involves planning and executing improvement measures after identifying issues and can continually implement the PDCA cycle.