

Special Feature 2

Cambodian Business Grows with Its Employees

The Minebea Group has successfully expanded its business in many countries throughout the world. Cambodia is the Group's newest manufacturing base. Here, we introduce the initiatives we are taking to raise and develop both our employees and our manufacturing activities.



Minebea's Global Strategy in Cambodia

In April 2011, as one of the commemorative business initiatives to celebrate Minebea's 60th anniversary, we launched manufacturing operations in Cambodia. At the time, our main manufacturing sites in Thailand and China presented exchange rate risks, a shortage of labor, rising wages and other issues. Cambodia emerged as a new base which could help to solve these issues. The country's advantages included proximity to our largest manufacturing base, Thailand, as well as a stable political climate. The new plant in Cambodia was positioned as the primary assembly site, which requires a large labor force. This enabled plants in Thailand and neighboring countries to accelerate value-added manufacturing. Overall, the launch of manufacturing in Cambodia promised to establish a more efficient manufacturing structure in Asia.

In December 2011, we opened our first plant in the Phnom Penh Special Economic Zone (PPSEZ), a 400m x 70m facility with a floor space of 28,000 m². By March 2014, the plant's workforce had risen to about 4,000 employees, making our plant one of the largest in the PPSEZ just three years after opening. The plant's manufacturing lines assemble small motors and smartphone backlights around the clock. We plan to expand the scope of the plant's operations in the future to meet rising global demand.



Groundbreaking ceremony for Cambodian plant

Issues Facing the Cambodian Plant

Although the Cambodian business has begun to get on track, it still faces a number of major challenges. A key issue is the inadequate knowledge and skills of the local workforce. As a result of Cambodia's long civil war in the second half of the 20th century, there are few people aged over 30 with significant work experience. Furthermore, many young Cambodians leave school early to help with family businesses and fail to complete their mandatory educations. Raising the level of basic academic skills remains a pressing issue for the country.

Another issue is the mindset of workers. About 90% of the population is involved in agriculture, making the work environment different from a country like Japan, where people are accustomed to being employed by a company. In Cambodia, people still wear their shoes indoors and it's common for garbage to be thrown in the street. Additionally, young people dislike living away from their parents. These and other customs are obstructing the education of workers. Overcoming this mindset and fostering employee skills and motivation for work will be indispensable for future business success.

Responding to Employee Expectations

Based on our long experience expanding in overseas markets, we understand that growing hand-in-hand with our employees is necessary to solving these issues. As our newest manufacturing base, Cambodia is no exception to this approach. New employees hired at the Cambodia plant enjoy extensive training. We not only teach them technical skills, but patiently nurture the mindset they will need to succeed as company employees.



Sunday school



Employee dormitory

It's also important to respond to employees' expectations of the company. This ensures that employee motivation remains high and helps to foster company loyalty. We actively create opportunities for communication with employees, listen thoroughly to their problems and concerns, and implement various measures to address these problems.

As one measure, we offer employees schooling. Many employees who have not graduated from school have a strong desire to continue their education, and in response we started this initiative. To advance this initiative, we also started offering Cambodian, math, and English lessons on Sundays. Even though participation is voluntary, the classes are filled each week and some employees even attend after working a night shift.

We are also striving to improve the quality of life for our employees by offering comprehensive facilities, such as dormitories and employee cafeterias. A new dormitory is under construction to further improve the quality of life. In these and other ways, we are taking meticulous measures to not only raise employee skills, but to foster a workforce with high motivation and loyalty to Minebea.

Aiming beyond a Motivated Workforce

As part of the "Five Principles," our basic management philosophy, we believe that the company should become a place where its employees are proud to work and the company should respond to employee motivation. The sharing of passion with employees makes it possible to supply products desired by society and to realize our goal of "manufacturing with sincerity."

The growth achieved through this philosophy generates contributions for local regions and communities. We apply this philosophy in every region in which we do business, including Cambodia. As we expand our business in Cambodia, we will seek not only to generate more jobs, but to help solve local social issues and be welcomed by local communities in order to grow with the communities.

Taking part in Sunday School

I'm really enjoying the Sunday school because it helps me to improve my English and math skills, which I need to make calculations and communicate in my job. I usually work the night shift, but I discussed the classes with my line supervisor so that I could take part. I'm very pleased and fortunate to have an opportunity to gain these skills while working. I plan to continue studying hard so that I can work in administrative and other positions in the future.



Ms. Pen Sokniv
Lighting Device Business Unit

Appreciation for Company Programs

The students are putting their hearts into learning at the school. I'm creating the curriculum with Minebea and arranging the lessons to meet varying levels among the students. I can see a clear improvement since we began the classes. The creation of not only jobs but also educational opportunities is very important to the future of both the employees and Cambodian society as a whole. We're very grateful to Minebea.



Mr. Phoung Makara (Instructor)