

# Future of MARUI GROUP Forged through Co-Creation with Start-up Companies

MARUI GROUP began co-creation with start-up companies with the aim of stimulating new innovation within the Company. The following pages chronicle a discussion between four MARUI GROUP employees that are learning new senses of value on secondment to start-up companies operating in areas such as e-commerce payment proxy services, investment-style medicine, online store establishment support services, and comprehensive lifestyle support services for non-Japanese individuals. In this discussion, these employees talk about the issues faced by MARUI GROUP and its future potential.

**Yusuke Nakashima**

Seconded to investment-style medicine company, MinaCare Co., Ltd.

**Kyohei Taguchi**

Seconded to provider of comprehensive lifestyle support services for non-Japanese individuals, Global Trust Networks Co., Ltd.

**Mai Mitsumori**

Seconded to e-commerce payment proxy service provider, GMO Payment Gateway, Inc.

**Takayuki Shibao**

Seconded to online store establishment support service provider, BASE, Inc.



## Secondment to Start-up Companies as Extension of Profession Change System

**Nakashima:** The proposal of being seconded to MinaCare came suddenly for me. It occurred when I was in my fourth year at distribution company MOVING after being transferred from retailing company MARUI CO., LTD. I had felt that the relocation to MOVING had been a significant contributor to my growth. For this reason, this proposal filled me with excitement for the chance to once again test my skills in a new industry and the growth to be achieved therein. At MinaCare, I am responsible for planning new businesses. This position has me wear several hats, performing tasks related to sales to corporate clients, human resources, public relations, and even accounting.

**Shibao:** My department at BASE is responsible for planning new services, designing business models, and constructing and performing daily operation of systems. I personally enjoy trying out new things and tackling new challenges, and I get great joy out of the constant sense of growth I feel in this position. Uncovering new social needs through the development of new services is particularly exciting. This job also lets me meet people that I would have never encountered at MARUI GROUP, for example, women in their 20s that cannot use computers but make tens of millions of yen a year through their smartphones or the fans that gather at pop-up stores.

**Taguchi:** I am being seconded to Global Trust Networks (GTN), a company that provides rent guarantee and other services based on its desire to improve the lives of non-Japanese individuals that live in Japan. Around 70% of GTN's employees are non-Japanese, and we can perform debt recovery procedures in 15 languages. GTN's credit examinations standards are completely different from those of Epos Card Co., Ltd., which is another point of interest.

**Mitsumori:** At GMO Payment Gateway, I conduct sales activities that include preparing proposals for customers that are considering introducing payment systems on their online sales sites. I had spent the entirety of my time at MARUI GROUP on the sales floor or in product

development, and I had therefore felt aversion to FinTech and sales. As such, I was filled with uncertainty when news of my secondment suddenly arose. Contrary to my expectations, the job is actually a lot of fun, and I feel like I grow every day.

**Nakashima:** I definitely feel that I have grown through my secondment. At MARUI GROUP, I didn't really have the opportunity to develop projects by myself, and it just felt natural to split a task with my coworkers. Developing projects requires a wide range of business skills. I have a severe lack of these skills, and I am constantly finding new gaps in my abilities. However, I feel that the greatest benefit of my secondment has been this, the ability to discover such issues by working at a start-up company and to learn and grow as a result.

**Taguchi:** The ability to grow by engaging in various types of work that I experienced through MARUI GROUP's profession change system is even more pronounced in the experience of secondment. Start-up companies require each of their employees to perform various tasks. Working in such a company made me realize that the concept of diversity was less about specializing in a specific type of work and more about developing one's own style and calling and excelling in this area. I also learned that MARUI GROUP employees can be more successful in start-up companies than I had expected.

**Shibao:** It is important for people to possess both specialized skills and experience. After coming to BASE, I lost confidence in my ability to compete with people in their 20s in technological fields in terms of either skills or ideas. However, these younger employees lacked experience in engaging face-to-face communication or in developing business, creating room for me to contribute with the insight I have accumulated. My time at BASE has reminded me of the ability to identify skills you lack and grow by interacting with people who are different than you. MARUI GROUP already has a framework for human resource fluidity with its profession change system. If we can incorporate personnel from other organizations and industries that differ from ours, we should be able to create an even better cycle.

### MARUI GROUP as Viewed from the Outside

**Taguchi:** Start-up companies have no leeway when it comes to resources. Accordingly, they have no choice but to employ people that have gained experience elsewhere. Recognizing this made me aware of the extreme care MARUI GROUP pays in developing its human resources. **Mitsumori:** The employees at start-up companies tend to be incredibly skilled and capable of generating profits. However, they lack opportunities to thinking about the future of their company. Conversely, MARUI GROUP provides numerous opportunities to think about the future of the Company and its organization from a medium-to-long-term perspective. My experience at a start-up company made me realize how powerful these opportunities are. At the same time, I can't help but wonder if this power is being effectively exercised by individuals.

**Shibao:** A major strength of start-up companies is their incredible speed. Their corporate cultures often encourage employees to act first and make improvements later, using outside services and other tools as necessary. This way of thinking is very different from that of MARUI GROUP.

**Nakashima:** I am involved in planning a new business for promoting the importance of preventive medicine. When we had our kickoff meeting in April, I was shocked to hear that we were looking to commence service in the summer.

**Taguchi:** The difference at start-up companies is clear right from the scheduling phase, with tasks sometimes allocated for only three days with the next step due within a week. I want to transmit this type of speed to MARUI GROUP.

**Shibao:** The speed and frequency of output at start-up companies is amazing. However, their services can sometimes be a bit unrefined and they are unable to immediately launch large-scale projects.

**Nakashima:** I don't necessarily think that large-scale companies need to move at the same speed as start-up companies. Both types of companies have their own benefits and roles. Ideally, the relationship between these types of companies should entail mutually sharing strengths and compensating for each other's insufficiencies.

**Shibao:** One thing that changed my views after my secondment was realizing that, rather than growing sales in

the here and now, start-up companies have a responsibility toward the future. Specifically, they need to consider how they want to shape the future through their services. Of course, profits are something considered in the end, but this pursuit of profits is not about the present, but is instead framed in the future they wish to realize.

**Taguchi:** The timeframe used at start-up companies may be longer than we might expect. Rather than pursuing short-term goals, these companies look at the businesses they will need to develop to accomplish larger goals in the future. If one only focuses on short-term profits, they will not be able to make bigger achievements.

**Shibao:** For start-up companies, their underlying goal, their main businesses, is to accomplish some sort of mission. They therefore place more focus on resolving some issue than on growing profits. Short-term profits are, of course, important. However, if a company focuses too much on the short term, it will fail to serve its customers in the future and will thus be unable to accomplish its mission.

**Taguchi:** If a company prioritizes its mission, concepts like industry and business model will fade away. For example, GTN says that its business is not that of a mobile phone service provider or a rent guarantor but rather that of a port for connecting two countries. As there are a lot of people that come to Japan, GTN provides support in Japan. However, its real targets are the 1.2 billion people that live in other countries around the world. As immigrants tend to be neglected in any country, GTN's expertise can be used to develop businesses anywhere in the world with ease. From this standpoint, I recently often find myself thinking about what exactly is MARUI GROUP's main business. I don't think it is retailing or finance. No, I think MARUI GROUP has evolved further than that.

### Responsibility-Driven Action by All Employees

**Nakashima:** At MinaCare, there is a very frank atmosphere in which people refer to everyone, even their supervisors, by their first name, with no mention of rank. This atmosphere makes it easy to voice opinions. This lack of distance with supervisors is something that is very important.

**Shibao:** BASE deemphasizes hierarchy in a similar manner, and supervisors tend not to micromanage work processes. Moreover, input from supervisors on

business plans is taken as an opinion, not as an order. Fundamentally, everyone is expected to make their own decisions and take responsibility for their outcomes.

**Mitsumori:** Doing everything related to sales, from proposals to estimates and follow-up, at one's own discretion is a hefty task. I recognize that even a small explanation deficiency or other mistake can cause massive losses for customers, and I try to act swiftly.

**Taguchi:** Start-up companies expect employees to exercise responsibility. After coming to such a company, I have started to think I may have lacked a sense of responsibility when I was at MARUI GROUP. Perhaps I was complacent with being in a big company.

**Mitsumori:** My more experienced colleagues at GMO Payment Gateway make presentations based on the standard of whether or not they can wager their year's salary on the proposal. I found myself wondering if I had ever bet so much on a single proposal and if there were a way to inspire this level of commitment to one's work among all employees at MARUI GROUP.

**Nakashima:** In the past, I had never really had an idea of

what I wanted to accomplish, leading me to simply follow the instructions of those more experienced than me. If I were able to create a service that I truly wanted to show the world, wanted to have people buy, I think it would be really exciting. This type of work would be more enjoyable, and I want to make teams with this type of mentality. **Shibao:** I want to transmit the culture of taking action by one's own volition to MARUI GROUP and help it swiftly spread and become entrenched in our corporate culture. The ability to experience such a culture has perhaps been the greatest prize of my secondment.

**Taguchi:** There is nothing that a start-up company can do that MARUI GROUP cannot. This is something I feel very strong about. If everyone at MARUI GROUP thinks more about what they can accomplish, exercising both their talents and a sense of responsibility, we will become stronger as people and as a company.

**Nakashima:** Fostering that sentiment is the responsibility of those of us who were seconded. I look forward to using what I learned from this experience to guide MARUI GROUP in a better direction.

### Career History of Four Seconded Employees

			
<b>Yusuke Nakashima</b>	<b>Mai Mitsumori</b>	<b>Kyohei Taguchi</b>	<b>Takayuki Shibao</b>
Joined MARUI GROUP in 2011 Marui Family Mizonokuchi, MARUI CO., LTD. Store Support Department, MARUI CO., LTD. Group Logistics Department, MOVING CO., LTD.	Joined MARUI GROUP in 2014 Ikebukuro Marui, MARUI CO., LTD. Omni-Channel Retailing Department, MARUI CO., LTD.	Joined MARUI GROUP in 2006 Kawasaki Marui, MARUI CO., LTD. Planning Department, AIM CREATE CO., LTD. System Planning Department, M & C SYSTEMS CO., LTD. Credit Management Department, Epos Card Co., Ltd.	Joined MARUI GROUP in 2005 Advertisement Planning Department, AIM CREATE CO., LTD. Demand Survey Department, MARUI CO., LTD. Omni-Channel Retailing Department, MARUI CO., LTD.