

What Murata values

Murata's DNA —gratitude and pioneering spirit

Our founder Akira Murata was born in 1921 at Sennyuji, a Buddhist temple in Kyoto. He was repeatedly ill from early childhood and was unable to attend school regularly. Reading books was his only pleasure, and he came across a Zen Buddhism philosophy “form is emptiness.” This phrase embodies the following lesson: “What we see, and the events we experience every day, are only temporary and like a dream. People are born naked and die naked, so we should not care about money or material things, nor blame others for our failures. Instead, we should always be grateful in our interactions with others.”

Moved by these words, Akira let go of his preoccupation with his illness and began to emphasize his gratitude to those around him. After that, his physical condition gradually recovered.

Akira eventually began helping his father Kichiro run the family business, Murata Seito-jo. His father urged him not to compete for profits with other companies in the same industry, but instead to pursue an independent path. In 1944, with the aim of developing innovative products, Akira established his own company, Murata Manufacturing Co., Ltd., in a house in Nakagyo-ku, Kyoto. The company started life with only a few employees.

After the war, Akira met Professor Tetsuro Tanaka in the electric laboratories of Kyoto University, an encounter that would transform Murata's destiny. Akira learned from the Professor about barium titanate, which at the time was regarded as the great discovery of the century. Grippled by a strong pioneering spirit, Akira immersed himself in research related to this substance. He was in and out of the laboratory on a daily basis, and up-and-coming researchers began to join Murata, which was then just a backstreet workshop. Close cooperation with these colleagues soon resulted in one success after another, and the team eventually succeeded in developing a barium titanate ceramic capacitor, which would pave the way for the ceramic capacitor, Murata's mainstay product today. This breakthrough laid the foundation of Murata's huge success in its early years..

As a result of cherishing his encounters with people and interacting with those around him from a place of thankfulness, he was able to expand the circle of gratitude and gain access to the vast knowledge possessed by high-caliber individuals.

It is no exaggeration to say that Murata's growth to date has been underpinned by our founder's encounter with barium titanate and the first-rate engineers and colleagues he met through this research.



Inside Professor Tanaka's laboratory

These various experiences of our founder led to the formulation of Murata Philosophy (“Shaze”), which defined the direction the company should take. It includes the line, “together with all our stakeholders, thankful for the increase in prosperity,” and reflects a desire to work and prosper together with employees and other stakeholders with a sense of appreciation..

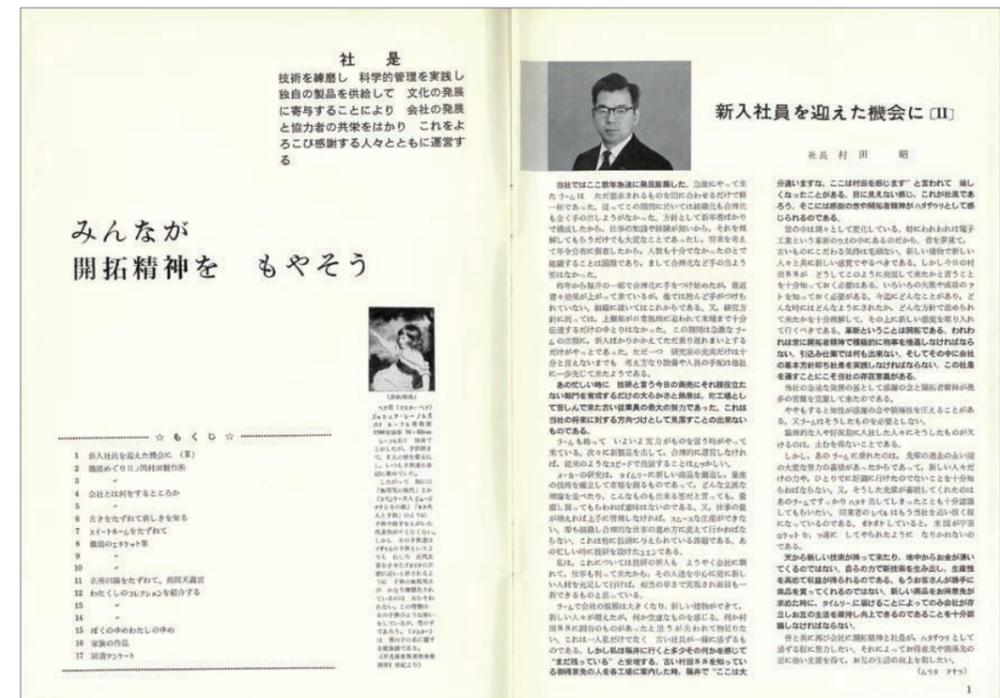
Murata has got where it is today because our executives and employees in each era having been driven by gratitude and a pioneering spirit, and put the Murata Philosophy into practice on a daily basis.

Murata Philosophy – Shaze –

We contribute to the advancement of society by enhancing technologies and skills applying scientific approach creating innovative products and solutions being trustworthy and, together with all our stakeholders, thankful for the increase in prosperity.



Founder Akira Murata



Living up to the Murata Philosophy represents our raison d'être as a company. Our rapid development has been based on our feelings of gratitude and our pioneering spirit, as these have enabled us to surmount numerous difficulties.

(Source: in-house magazine/company newsletter Akaruinakama Akarui Nakama (Cheerful Colleagues), published in 1961)

Murata's key values—CS and ES—and an organization strengthened through dialogue

In addition to practicing the Murata Philosophy, we declared becoming a customer-oriented company as the primary aim for our corporate culture, but after the bursting of the IT bubble in the 2000s, Murata's performance remained sluggish for a long period, even as other companies in our industry achieved V-shaped recoveries. Murata's management believed that the cause was our organizational culture at the time, which was characterized by the imposition of Murata's way of doing things on customers rather than giving them what they want, and employees who were working hard but were exhausted. The management team realized that unless employees feel fulfilled and proud of their work, they would be unable to make great products and satisfy customers.

A drive to transform our corporate culture began in earnest in 2004, with all the executives holding repeated discussions on what to do. An employee surveys revealed that only 30% of employees felt that the organization was "open," which highlighted the grim reality that Murata has fallen prey to "big company disease."

A major problem that this big company disease brought to the fore was a complete absence of dialogue across all levels of the organization, i.e., among executives, between superiors and subordinates, and among colleagues. As a result, the decision was made to revisit the Murata Philosophy and replace our old top-down management with one that emphasized "acknowledgement, delegation, and gratitude," and worked to create a corporate culture in which customer satisfaction (CS) and employee satisfaction (ES) are positioned as key values. At Murata, CS means "continuing to create and provide value that is recognized by the customer," and ES means "every employee achieves satisfaction and continuing growth through the performance of their work duties."

By having all employees place importance on dialogue, express their appreciation for each other, and understand each other, numerous opinions began to emerge within the company, and our corporate culture underwent a gradual revitalization.

As a result of business expansion, the hiring of experienced personnel, M&A, and other factors, Murata now has far more employees than it did back then, and they embody various different values, but the Murata Philosophy and the notions of CS and ES continue to resonate with them, and they engage in dialogue and friendly competition with each other on a daily basis.

And the feeling of joy and gratitude of customers who recognize the value provided by Murata remains unchanged even today. It continues to motivate them and enable them to grow. In this way, we believe that enhancing CS leads to satisfaction and growth among our employees and that enhancing ES leads to the provision of more value to customers, and this belief informs the actions that we take each day.



Overnight workshop for executives on the theme of CS and ES

Mutual prosperity with stakeholders—Value provided to customers that has expanded through joint efforts

Since 2000, the IT sector has grown rapidly and the world economy and the electronics industry have undergone major structural changes. The communications market, in particular, has been the main growth driver for the industry. Murata has inherited the pioneering spirit of its founder, and in cooperation with stakeholders, we have proactively taken on the challenge of overcoming technological issues and developing new markets in response to the rapid evolution of cellular phones with advanced functions and faster, larger capacity communications methods.

One example is our collaboration with Peregrine Semiconductor Corp.*, a U.S. company with which we have had ties since 2006.

At that time, cellular phone communications were shifting from 2G to 3G, and the business outlook for the Switchplexer, a 2G technology that had been a huge hit, became uncertain, causing our engineers to wrack their brains. So together with Peregrine Semiconductor Corp., a semiconductor manufacturer with which we had a partnership, we worked to jointly develop a switch using a new semiconductor technology that would

be compatible with 3G. In those days, the prevailing view was that this semiconductor switch would not be suitable for high frequencies, and many people within the company raised objections or doubts. Initially, we had a hard time achieving the required technical characteristics, and the engineers involved of the project struggled day after day. Nevertheless, they refused to give up, and with a strong desire to contribute to the advancement of society by creating innovative products and solutions, they were able to come up with new ideas and eventually develop a product that we could feel proud to unveil.

The source of Murata's success has been the implementation of the Murata Philosophy by our employees. The founder's attitude toward business, attitude of prospering together with all our stakeholders, and attitude of working sincerely to solve problems have been passed down to the employees of today. Murata has refined its technology, and through dialogue between Murata and partners who share the same passion, we have expanded the value that Murata provides to customers.

* The company became part of the Murata Group in December 2014.

And now, into the future—Aiming to co-create value with stakeholders

In the years since our foundation, the environment and technologies surrounding Murata have changed dramatically, but at all times, each and every employee, in his or her respective role, has continued to put the Murata Philosophy into practice and contribute to the development of culture advancement of society, while valuing the pioneering spirit and commitment to gratitude of our founder.

To continuously increase our corporate value while retaining the mindset of our founder, in 2021 we formulated Vision 2030 which sets out our long-term direction and the preparations that we need to make. Vision 2030 defines "co-creation with stakeholders" as being central to achieving what Murata wants to be.

Murata has lived up to its slogan, "Innovator in Electronics,"

which embodies our desire to be "a leader in innovation for the electronics industry." By putting this idea into practice and by building solid, trusting relationships with our customers, Murata has established a global brand of capacitors and communications components. On the other hand, to respond to the intensifying changes in our environment and proactively create value as a true Innovator in Electronics, we believe it is important that we expand the scope of the value we provide from just "innovation for customers" to also include "innovation for solving social issues."

Murata will be aiming for sustainable value creation through dialogue and co-creation with stakeholders

We want to continue to be trusted and be the best choice for customers and society. Murata will keep taking on challenges.

