

Chapter

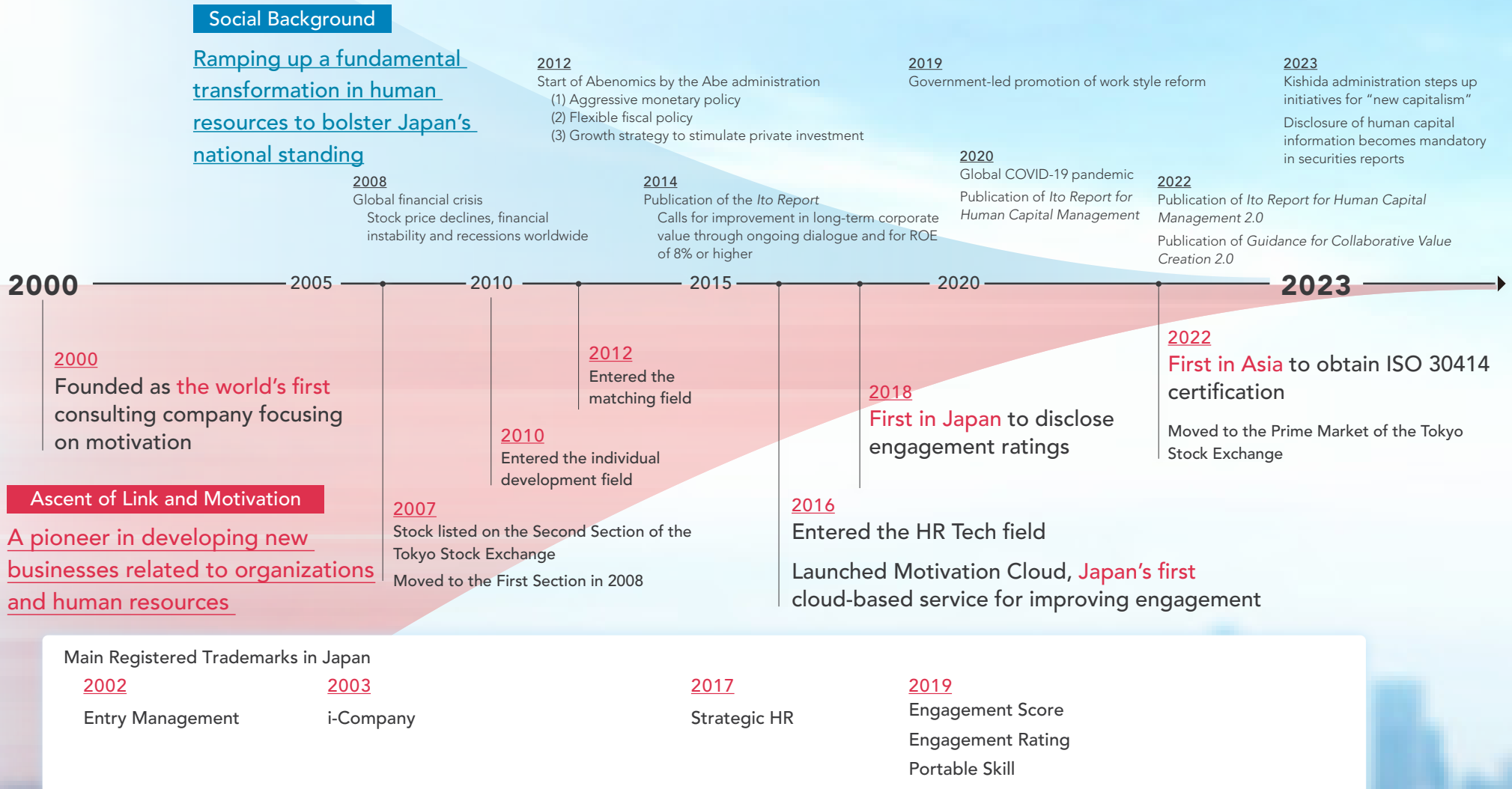
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The Link and Motivation Group's Value Creation

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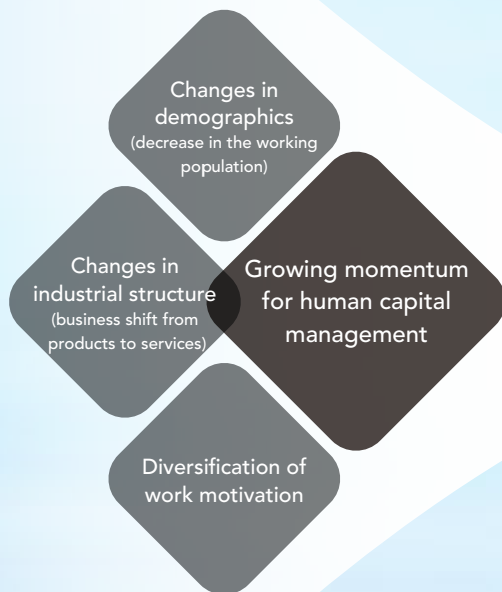
A History of Creating Value

When Link and Motivation was founded, the English word “motivation” was still largely unknown in Japan. We were a forerunner in recognizing the importance of motivation as we pioneered this new era, in which human capital management has at last come to the fore.



The type of management capital that the Link and Motivation Group emphasizes most is human capital. Creating value together with stakeholders through a business model that fully utilizes our core technology of Motivation Engineering will lead to a more meaningful society.

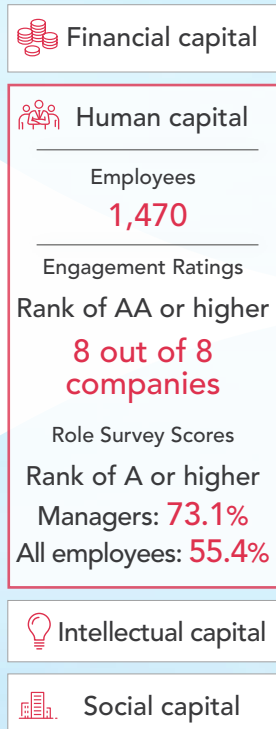
Changes in the Operating Environment



Main Types of Management Capital

Organizational strategies to maximize human capital

→ Pages 34-38



Business Activities

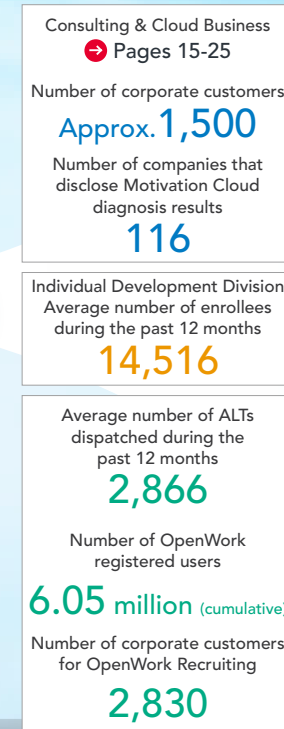
Business strategies to maximize customer value

→ Pages 27-33



Value Created

Creating value together with our stakeholders



Our Vision for Society

A More Meaningful Society

→ Pages 1-5

Value Creation Platform → Pages 40-45

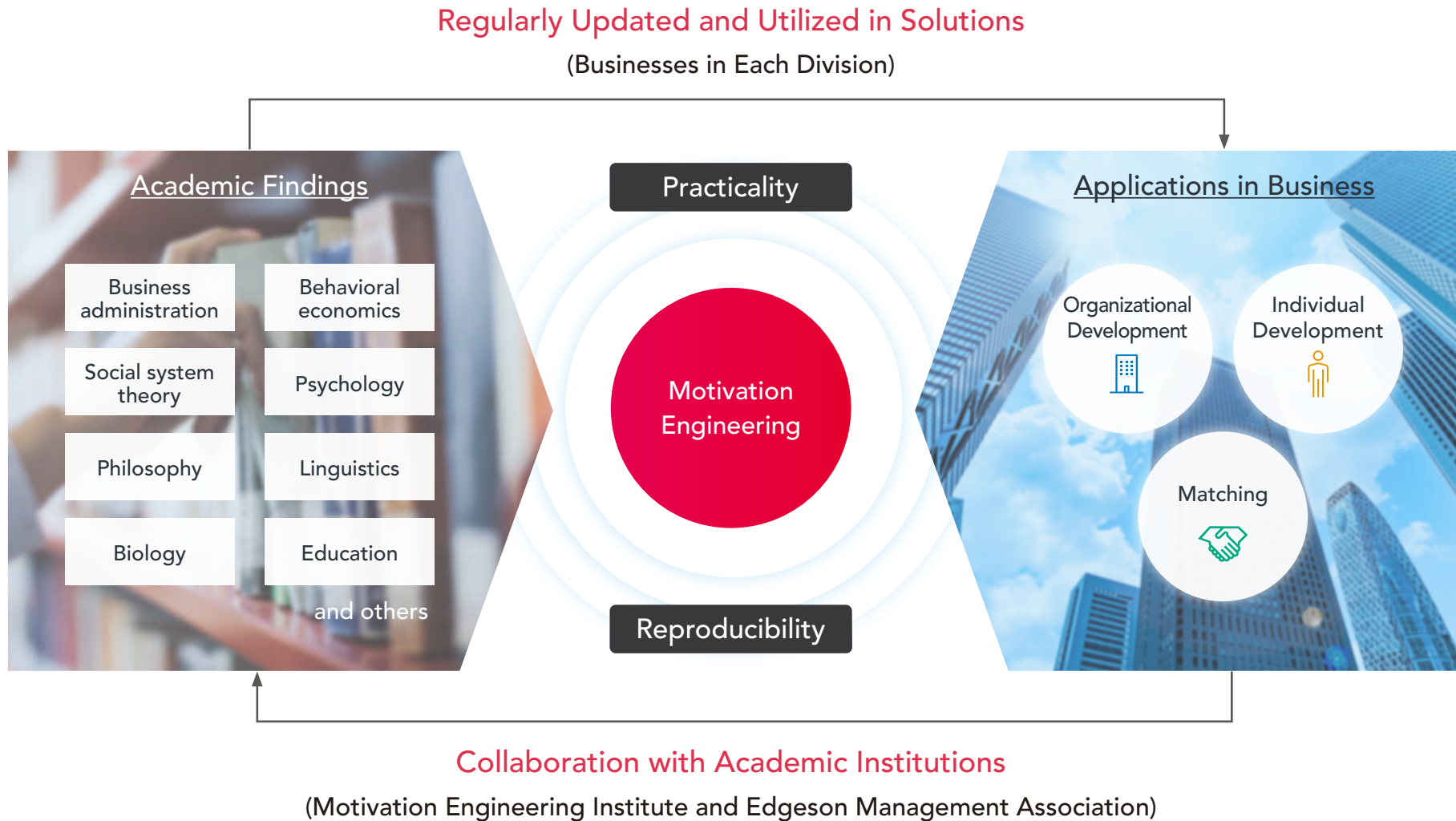
Note: As of December 31, 2023

Close-Up: What Is Motivation Engineering?

Motivation Engineering is the core technology of the Link and Motivation Group. Based on a wide range of academic findings, it underpins all the Group's businesses.

Since our founding as a consulting company, we have developed Motivation Engineering with a deep commitment to continuously improving the practicality and reproducibility of its results, enabling us to roll out businesses in other fields such as the BtoC business and matching.

We will continue our collaboration with academic institutions to regularly update this technology and upgrade our products and services.



Close-Up: The Approach Underlying the Link and Motivation Group's Business Creation

Motivation Engineering is premised on two basic approaches: a perspective of humans and a perspective of organizations.

The perspective of humans is based mainly on psychology, and views humans as emotional beings with limits to their rationality. The perspective of organizations is based mainly on social systems theory and behavioral economics, and views an organization as a cooperative system.

Designing all of our products and services in accordance with this unique approach gives them high levels of practicality and reproducibility.

Perspective of Humans

Humans are not completely driven by economic rationality.
They are emotional beings with limits to their rationality.



It is important to design opportunities that offer not only financial rewards but also emotional rewards.

Financial Rewards

Money/Position



+

Emotional Rewards

Desire for recognition
e.g., awards for performance

Desire for contribution
e.g., words of thanks

Desire for growth
e.g., improvement in know-how and technique

Desire for fellowship
e.g., good teamwork

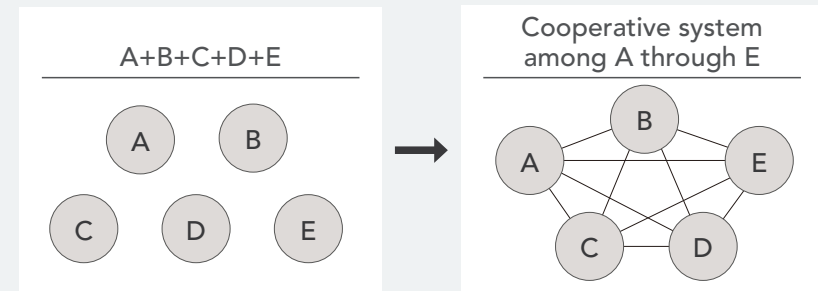
Perspective of Organizations

An organization is a cooperative system that is not reducible to its constituent elements.



It is important to reduce complexity by understanding that problems are not in the people but in the gaps between them.

Example: Five-person organization



Communication Is the Lifeblood of an Organization

Close-Up: Constituent Technologies of Motivation Engineering—Common Types across Business Fields

Motivation Engineering is driven by diagnostic and transformation technologies. Diagnostic technologies use our unique frameworks to identify customer problems, and the database on organizations and individuals that we have built up since our founding is one of the largest in Japan. Transformation technologies use our accumulated insights to resolve the problems we identify, and our ability to provide one-stop support for organizational and individual transformation is a distinctive feature.

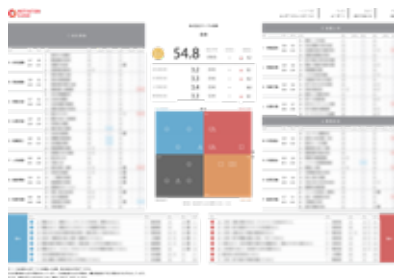
Applications across the Link and Motivation Group's Business Fields

Diagnostic Technologies

For
Organizations



Visualization of engagement



Organizational diagnostic data

Approx. **4.03** million
respondents in

11,360 corporate
diagnoses

For organizational diagnosis, we use Motivation Cloud to identify the location and nature of issues in each organization and visualize the state of engagement.

Transformation Technologies

One-stop support for improving engagement



Recruiting

Strategic design, raising operational efficiency and improving recruiting capabilities



Training

Training by rank (new university graduates, mid-career employees, managers and executives) and training by theme



Systems

Personnel system design



Corporate Culture

General meetings of employees and anniversary events

For
Individuals



Visualization of skills and motivation types



Individual diagnostic data

720,000 people

Individual diagnosis covers motivation type and skills as well as learning level to present the optimal plan for each enrollee.

One-stop support from education/examinations and finding employment to changing jobs



Examinations

Operation of SS-1, a private instruction school for elementary school students, and Motivation Academia, a cram school for junior high and high school students



Finding Employment

Placement support for new university graduates through career advisors



Changing Jobs

Direct recruiting service using OpenWork and placement support through career advisors