

ROBERT WALTERS WHITEPAPER

EMPLOYEE INSIGHTS SURVEY 2018

ROBERT WALTERS

INTRODUCTION

Ever since the topic of “working styles” was first raised, an increasing number of companies have been looking for ways to improve work-life balance ahead of the government’s efforts to reform working styles. Many companies have attempted to do this by restricting the amount of overtime their employees could work, but for workers who depended on their overtime allowance as an important part of their income, these restrictions reduced their income and adversely affected their livelihoods.

There are also growing concerns regarding the burdens placed on managerial staff. Managers face a number of difficulties in managing their employees’ performance and maintaining a high level of productivity amid a growing range of working styles such as telecommuting, working from remote offices, and more flexible working hours. The question is now being raised as to how managers can address these burdens and what kinds of solutions they can seek from their workplaces.

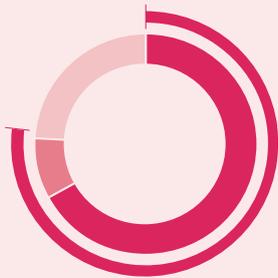
There is currently an unprecedented shortage of human resources in Japan, and an increasing number of professionals view the seller’s market as a good career opportunity and express a willingness to change jobs. Industrial structure and the general business environment are also rapidly changing in response to the acceleration of globalisation and technological innovation. This report will shed some light on the views of bilingual talent in Japan through a survey of 1,958 bilingual professionals at both foreign-affiliated companies and globally expanding Japanese companies, and the insights provided here can hopefully be used to recruit and retain these professionals.

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- 02 Latest trends in overtime and income
- 04 Shift in managers’ stress in reaction to work-style improvement schemes
- 06 Timing and decisive factors for moving to another company
- 08 Salary situation surrounding bilingual specialists in Japan

KEY FINDINGS

AFTER "WORKING STYLES" BECAME A HOT TOPIC, DID THE AMOUNT OF OVERTIME WORK INCREASE, DECREASE OR REMAIN UNCHANGED?



76% reported no change/an increase in overtime work

67% Unchanged
9% Increased
24% Decreased

BY POSITION: AFTER "WORKING STYLES" BECAME A HOT TOPIC, DID THE AMOUNT OF OVERTIME WORK REMAIN UNCHANGED/INCREASE?



OF THE FOLLOWING, WHICH DO YOU FEEL PLACE THE GREATEST BURDEN ON YOU TO ACCOMPLISH?



43%
Improving the productivity of their departments and teams



32%
Improving employees' results (experienced employees)



24%
Diversifying working styles / Dealing with employees

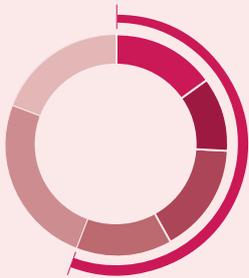


14%
Reducing working hours



10%
Improving employees' results (new graduates)

WHEN YOU LAST CHANGED YOUR JOB, BY HOW MUCH DID YOUR SALARY RISE?

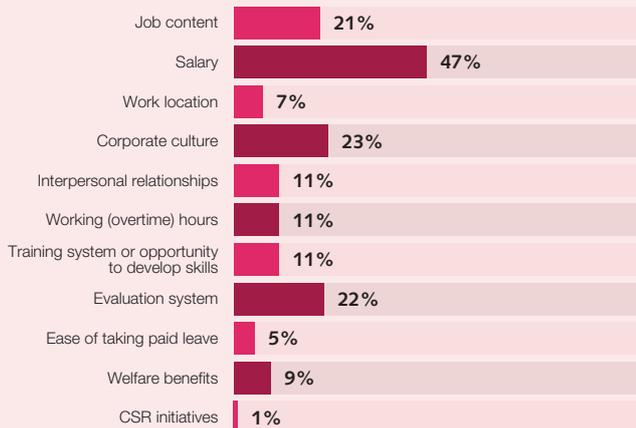


56% reported an increase in salary after their most recent job change

15% more than 30%
11% 20-29%
16% 10-19%
14% 1-9%
25% Same salary
19% Decreased

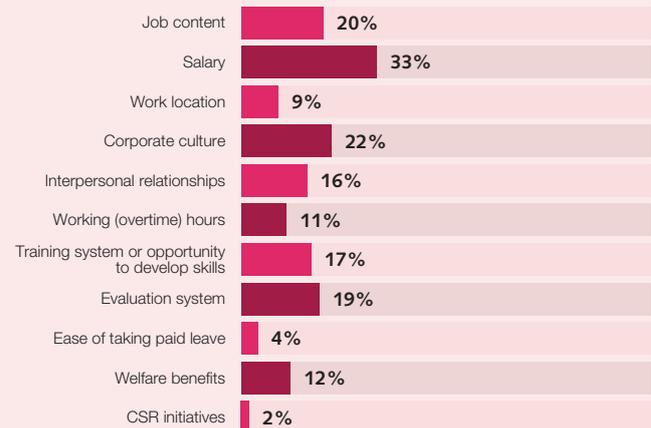
JAPANESE COMPANIES

WHICH AREA DO YOU MOST WISH TO SEE IMPROVEMENTS IN AT YOUR WORKPLACE?



FOREIGN-AFFILIATED COMPANIES

WHICH AREA DO YOU MOST WISH TO SEE IMPROVEMENTS IN AT YOUR WORKPLACE?

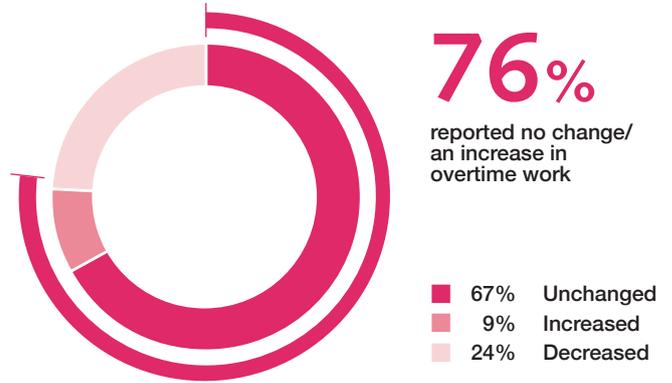


LATEST TRENDS IN OVERTIME AND INCOME

76% of employees have not had reduced overtime; a difference of 4 percentage points between staff-level employees and managers

After asking 1,958 company employees working on the frontlines of foreign-affiliated and Japanese global companies about the actual state of overtime, only 24% responded that they had “reduced overtime” since the topic of working styles was introduced. Looking at the results by position, 75% (653 out of 878) of staff-level employees and 79% (587 out of 739) of managerial employees^(*) answered that their overtime work has either increased or remained unchanged. (*1: Middle and senior management)

AFTER “WORKING STYLES” BECAME A HOT TOPIC, DID THE AMOUNT OF OVERTIME WORK INCREASE, DECREASE OR REMAIN UNCHANGED?



BY POSITION:

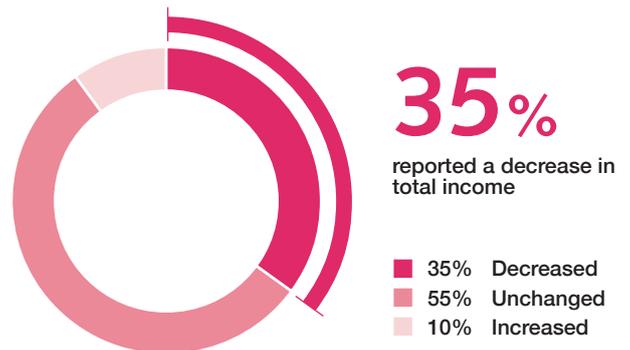
AFTER “WORKING STYLES” BECAME A HOT TOPIC, DID THE AMOUNT OF OVERTIME WORK REMAIN UNCHANGED/INCREASE?



41% of regular employees who had less overtime work also had a reduction in income

On the other hand, for workers whose overtime allowance was an important part of their salary, the overtime regulations reduced their income and affected their livelihoods. 35% (160 out of 457) of respondents who had reduced overtime work said their income had also decreased. By position, 11% of senior managers, 19% of middle managers, and 41% of staff-level employees responded that their income decreased due to a reduction in overtime. As a result of differences in the salary system, it was found that the income of nearly half of all staff-level employees was affected due to reduced overtime.

WHAT EFFECT DID THE REDUCTION IN OVERTIME HAVE ON YOUR INCOME?



BY POSITION:

WAS THERE ALSO A DECREASE IN YOUR INCOME ALONG WITH THE DECREASE IN OVERTIME?





83%

OVER 80% OF EMPLOYEES HAVE NOT SEEN A RETURN OF OVERTIME COSTS AT THEIR WORKPLACES

In response to a question asking “do you feel that employees have been compensated for the reduction in overtime?” 83% (373 out of 452) of employees who said their overtime work has been reduced said, “No, I don't see the costs being returned at my company”. According to the 17% (79 people) of respondents who said they do see the costs being returned, they stated that the costs are reallocated for “salary increases” (#1 with 32%), “the introduction of a labour saving system” (#2 with 28%), and “training” (#3 with 26%). Companies that are paying back overtime costs in the form of wage increases still account for a minority of 1.2% of the respondents' workplaces.

WHAT WAS THIS DECREASE IN OVERTIME COSTS INVESTED INTO?



32%

Salary increases



28%

Introduction of systems towards labor-saving in work processes



26%

Training



13%

Recruitment

SHIFT IN MANAGERS' STRESS IN REACTION TO WORK-STYLE IMPROVEMENT SCHEMES

Managers' burden: #1 productivity, #2 performance of experienced employees

When we asked 739 managers what they feel their greatest mission is, "improving the productivity of their departments and teams" ranked first (43%), followed by "improving the performance of their employees" (32%) and "managing employees who are utilizing diversified work-styles" (24%). The labour market is undergoing dramatic changes due to such factors as work-style reform, technological innovation, and globalisation. Today's managers are at the core of these efforts, and we see that they now have new goals which previously did not exist such as improving productivity and embracing diversified work-styles.



29%

OF MANAGERS SAID THEY FEEL BURDENED BY ACCOMPLISHING MORE THAN ONE OF THESE MISSIONS AT THE SAME TIME

OF THE FOLLOWING, WHICH DO YOU FEEL PLACE THE GREATEST BURDEN ON YOU TO ACCOMPLISH?



43%

Improving the productivity of their departments and teams



32%

Improving employees' results (experienced employees)



24%

Diversifying working styles / Dealing with employees



14%

Reducing working hours

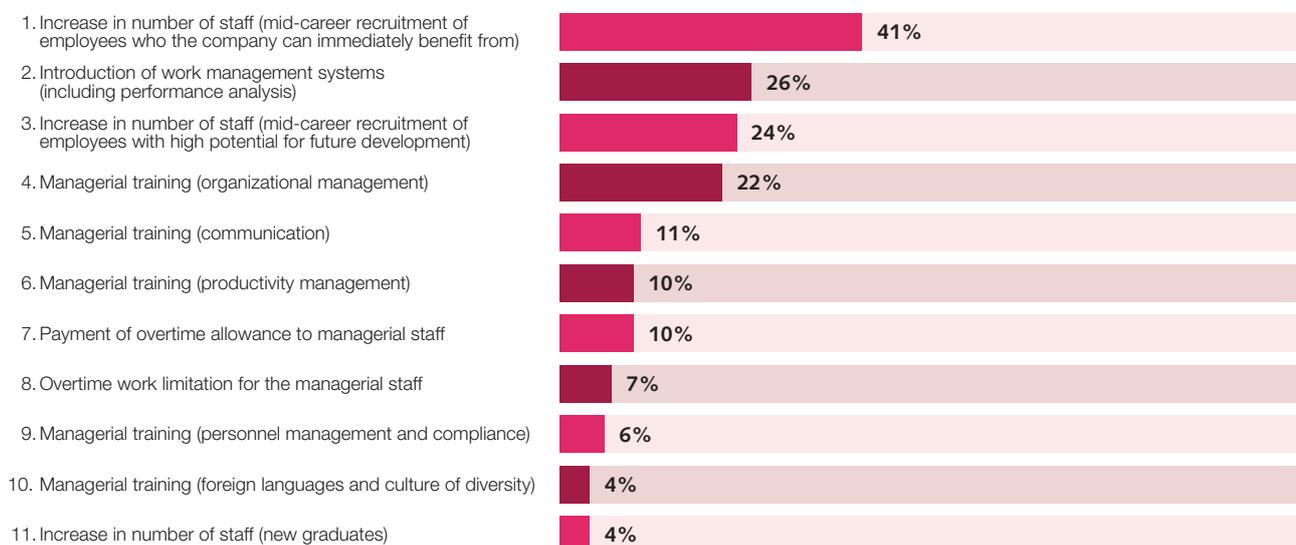


10%

Improving employees' results (new graduates)

MANAGERS HOPE THEIR COMPANIES INCREASE THE NUMBER OF HANDS-ON PROFESSIONALS AS A SOLUTION; “RESTRICTING MANAGEMENT’S OVERTIME HOURS” IS NOT STRONGLY DESIRED

The most common responses to the question “what support do you wish to receive from your company in order to reduce the burden?” were “increase the number of employees (mid-career recruitment of hands-on professionals)” (41%), “introduce a business management system (productivity and performance analysis)” (26%), and “increase the number of employees (mid-career recruitment of personnel with future potential)” (24%). These were more popular than “overtime payment for managers” (#7 with 10%), “limit managers’ overtime hours” (#8 with 7%), and “increase the number of employees (hiring of new graduates)” (last with 4%). Management training programs containing organisation management, communication, and productivity management received strong support in an effort to resolve these burdens.



TIMING AND DECISIVE FACTORS FOR MOVING TO ANOTHER COMPANY

51% want to change jobs whenever the opportunity arises

69% of bilingual professionals working for foreign-affiliated and global Japanese companies in Japan said that they would like to change jobs within 12 months. In addition, 51% responded that they would like to change jobs whenever the opportunity arises. Both figures were almost at the same level as the previous survey in May 2017 (down 1 percentage point), which indicates that the level of desire to change jobs remains high.

WHEN WILL YOU NEXT CHANGE YOUR JOB?



51%

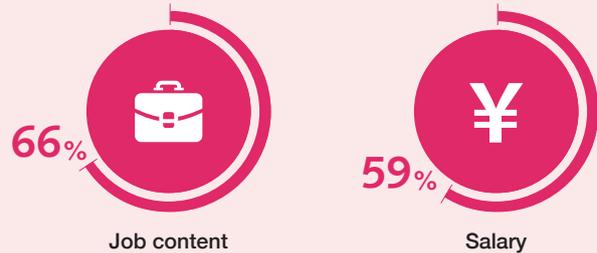
WHENEVER THE OPPORTUNITY ARISES

- 51% Whenever the opportunity arises
- 5% Within the next three months
- 5% Within the next three to six months
- 8% Within the next six to 12 months
- 19% More than 12 months into the future
- 12% I have no plans to change employment

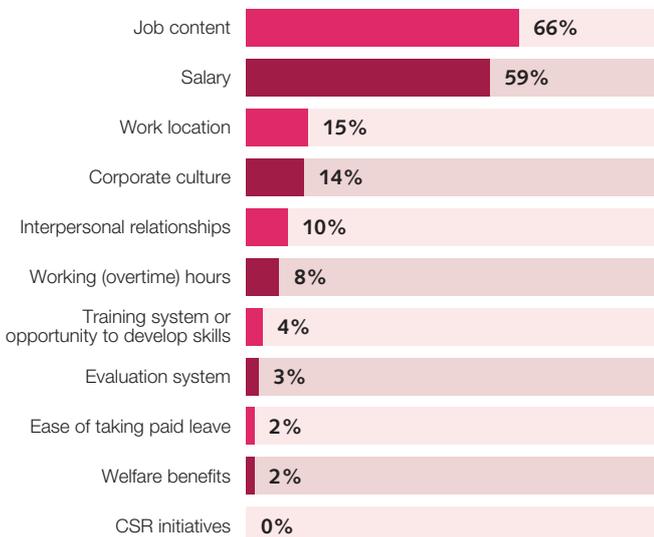
What are the decisive factors of job changes that bilingual professionals put emphasis on?

In terms of reasons why to change jobs, the vast majority of bilingual professionals focus on what they can accomplish at work and how much income they can earn. In this survey, 66% of bilingual professionals responded that the decisive factor for changing jobs was “job content” while 59% chose “salary”. Comparing the results by respondents’ ages, desire for “salary” only exceeded that for “job content” in the 25-34 age group.

WHAT ARE THE MOST DECISIVE FACTORS THAT YOU TAKE INTO CONSIDERATION WHEN CHANGING YOUR JOB?

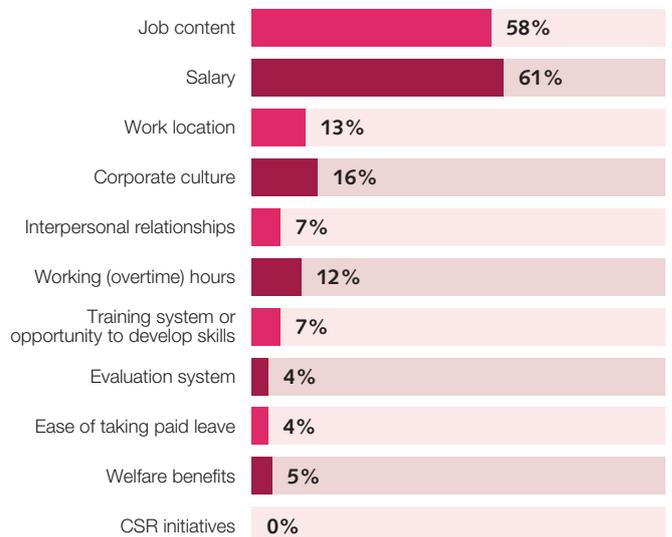


WHAT ARE THE MOST DECISIVE FACTORS THAT YOU TAKE INTO CONSIDERATION WHEN CHANGING YOUR JOB?



AGES 25-34

WHAT ARE THE MOST DECISIVE FACTORS THAT YOU TAKE INTO CONSIDERATION WHEN CHANGING YOUR JOB?





SIGN OF HIGHER EMPLOYMENT MOBILITY INDICATED BY INCREASES IN BOTH THE NUMBER OF JOB OPENINGS AND THE NUMBER OF PEOPLE LOOKING TO CHANGE JOBS

Robert Walters Japan handled 24% more job openings in 2017 than in 2015. There was also a 10% increase between 2016 and 2017 when the number of mid-career recruits (job changes) were already high, which serves as an indication that the need for mid-career recruitment has been steadily growing over this 12-month period. On the other hand, the number of people looking to change jobs is also increasing. In 2017, the number of new job seekers registered by Robert Walters Japan increased by 31.5% compared to 2015. This suggests that employment mobility is increasing in Japan, where the working culture has long been associated with long-term employment at a single company and lifetime employment.

SALARY SITUATION SURROUNDING BILINGUAL SPECIALISTS IN JAPAN

56% of bilingual professionals said their annual income increased when they last changed jobs

Of the 1,958 employees we surveyed working at the forefront of foreign-affiliated and Japanese companies in Japan, 56% said their salary increased with their most recent job change^(*). Bilingual professionals who changed jobs with a 20-29% higher annual income than at the time of their previous job (stated by 11% of respondents) increased by 2 percentage points from the previous survey conducted in May 2017. Professionals who experienced a 10-19% increase in annual income from job changes grew by 2 percentage points to 16%, and those who experienced a 1-9% increase grew by 3 percentage points to 14%. Overall, the percentage of professionals whose salaries increased at the time of job changes has increased from last year's survey.

(*: Upon joining their current company)

WHEN YOU LAST CHANGED YOUR JOB, BY HOW MUCH DID YOUR SALARY RISE?



56%

reported an increase in salary after their most recent job change

- 15% more than 30%
- 11% 20-29%
- 16% 10-19%
- 14% 1-9%
- 25% Same salary
- 19% Decreased

55%

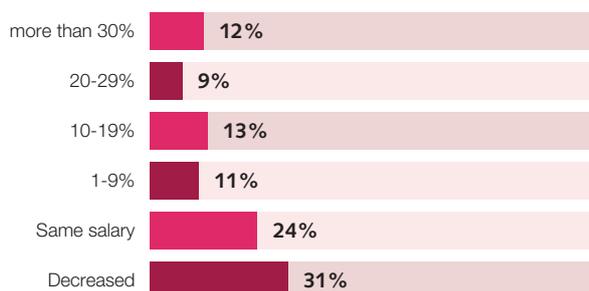
OF RESPONDENTS SAID THEIR SALARY REMAINED UNCHANGED OR DECREASED WHEN THEY MOVED TO/WITHIN JAPANESE COMPANIES

More than half of the employees at Japanese companies were not offered salary increases

Among 987 respondents at foreign-affiliated companies, only a small percentage said that their salaries went “unchanged” (19%) or “decreased” (14%) when they moved to their current place of employment, and nearly 20% of respondents who moved to foreign-affiliated companies said that they had received 30% or higher salaries than they had been in their previous job. On the other hand, more than half of the 942 respondents working in Japanese companies changed jobs without being offered an increase in their annual income, including those who said their salaries went “unchanged” (31%) or “decreased” (24%).

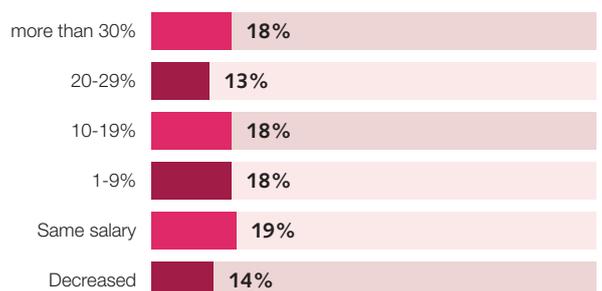
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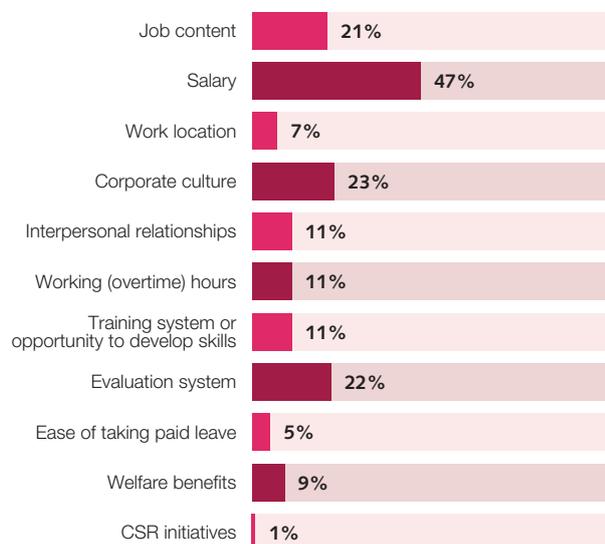
47% OF THE EMPLOYEES AT JAPANESE COMPANIES WERE DISSATISFIED WITH THEIR SALARY; A DIFFERENCE OF 14 PERCENTAGE POINTS COMPARED TO EMPLOYEES AT FOREIGN-AFFILIATED COMPANIES

In this survey, we asked respondents what they would like to see improved in their current workplace. The most common response was “salary” (40%), followed by “corporate culture” (23%) and “the evaluation system” (20%). Looking only at the results of employees of Japanese companies, 47% of respondents were dissatisfied with their salaries, which was 14 percentage points higher than employees of foreign-affiliated companies (33%).



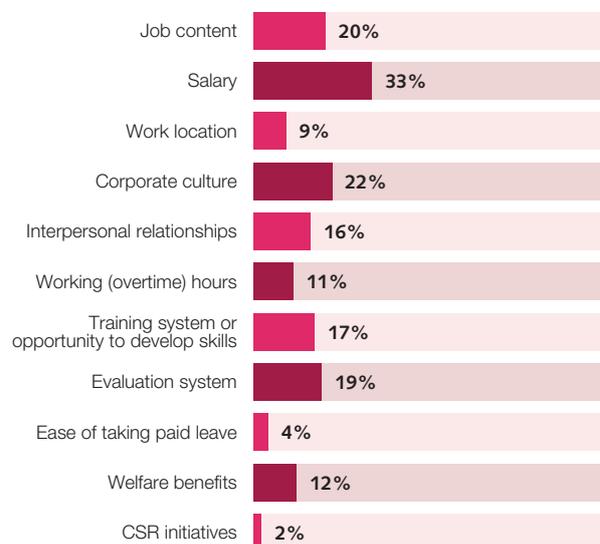
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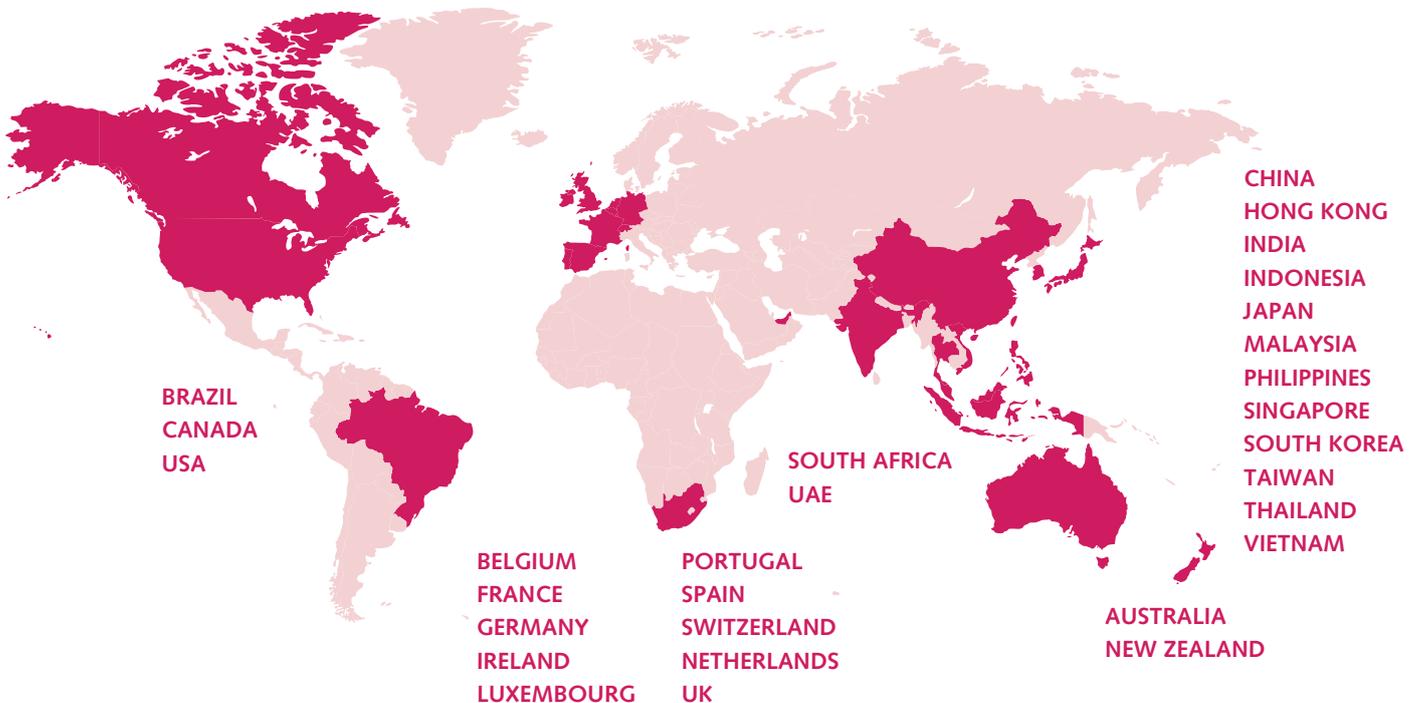
ABOUT ROBERT WALTERS

Robert Walters is a London-based global, specialist professional recruitment consultancy founded in 1985 now operating across 28 countries.

We have been a driving force in the Japanese bilingual recruitment market providing high quality candidates for our clients and access to the best jobs for 18 years. With offices in Tokyo and Osaka, Robert Walters Japan specialises in permanent and contract recruitment solutions across all industry sectors including accountancy & finance, banking & financial services, legal, compliance & risk, engineering & operations, general management & consultancy, human resources, information technology, sales and marketing in the fields of retail, healthcare, online as well as supply chain, logistics & procurement.

3997
Employees

28
Countries



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