

# **JSHRM**

## **Manila, Philippines**

### **April 5, 2017**

#### **1. Current economic and political situation in the country**

##### **Economy and labour market situation**

Since Abenomics has been deployed, the economy and work environments have been restructured and economic impacts have been slightly seen for these 6 months. The stock price now is close to 20,000 yen (approx. USD180).

Economists forecast Japan economy will be positive in 2017 due to the moves such as lowering social insurance premiums, creating scholarships and raising wages for nursery school teachers. The yen's weaker trend against the dollar will also help boost Japanese exporters' revenues, the economists noted. These moves are likely to include lowering social insurance premiums, creating scholarships and raising wages for nursery school teachers. The yen's weaker trend against the dollar will also help boost Japanese exporters' revenues, the economists noted.

The government has been trying to boost domestic consumptions. In order to do that, the spouse tax reduction law has been changed aiming for more women to join in workforce. Also, minimum wage was raised in late 2016. Companies also increased employees' wages by 0.6 – 0.9% in 2016 according to Nikkei newspaper.

The most updated trends in the Japanese labor market is called "Workforce reform", that aims to help all the workforce whether they are female, male, old, young, with illness or kids or sick family members, they must be able to work without worries, problems but with happiness in their lives. Japan has been known that employees work longer than people in other parts of the world. That work custom has made hard for women and handicapped people to continue in the workforce. Also, working until late at night makes people unhealthy under strong pressures all the time not being able to enjoy their personal hobbies and gatherings with friends.

##### **Political situation**

Japan has been in strong relationships with the United States and it is one of the key important issues to continue the partnerships with the new US president, Donald Trump. Japan has also been trying to get the Northern islands from Russia, and how to make good balance between the US and Russia is a sensitive matters.

North Korea has been attacking Japan with their nuclear weapons, and Japan needs to support from the US and other countries to protect the nation. From that reason, the strong relationship with the US is critical.

## **2. HR challenges**

The three main challenges facing the HR profession in Japan at present are:

- Workplace reform

Since the incident of the employee at Dentsu, who committed suicide due to long-hour work and less support from her co-workers, the government restricts overtime work and the large companies shut down the building lights at 10 pm. However, the workloads aren't decreased so the employees are stuck in between. Employers are trying to achieve flexible workplace including working from home and flexible working time, however, it makes harder for HR and management to manage employees' performance especially for back office employees since it is hard to set KPIs for their tasks. It is easier to manage them by time rather than setting KPIs. This reform requires lots more challenges with HR policies changes, performance management styles, work environments restructuring and management members' commitment.

- Innovative minds and skills improvements within organizations

As markets have become mature and population pyramid shows more elderly and less youth generation, many corporations have been looking for new business opportunities. However, they have not put efforts to develop talents with innovative skills and minds. Also, corporate hierarchy and old-fashioned corporate culture set limits to challenge new/different things. In addition to the skills and minds, the corporate culture where employees can freely express and exchange is also needed.

- Next Generation Leaders' skills development

Companies are struggling with developing leaders who can take over and expand their businesses globally. It is impossible that what the market is look like where all the technologies and competitors exist and Japan is so slow to make decisions with all the approval processes. To be able to compete with competitors and to come up with new opportunities, management teams and HR are facing to the urgent need to develop employees' skills and experiences to be leaders.

## **3. AHRI projects and initiatives**

Major areas of [acronym] activity include the following:

[details]

[details]

## **4. Scheduled Conferences**

March 16, 2017

How do AI, Robot, IoT give impacts to economy and companies.

March 17, 2017

A meeting for the study of How to develop talents/abilities within an organization

April 27, 2017

Case study – Change Management at Zempaq

May 15, 2017

A organization to realized Diversity initiative and Workplace reform

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### <Appendix>



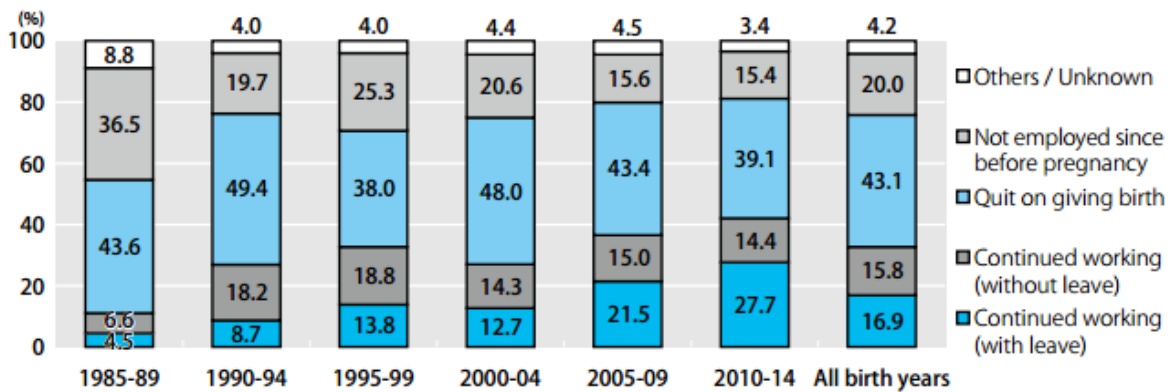
Source: <https://ig.ft.com/sites/numbers/economies/japan#jobs>

**Figure VII-6 Reason for Quitting before and after the 1st Pregnancy and Childbirth (multiple choice of up to 3 responses)**



Source: JILPT \*NSHC 2014.\*

**Figure VII-5 Changes in Women's Employment between Pregnancy/before Giving Birth and 1 year after Birth**



Source: The Japan Institute for Labour Policy and Training