Action Plan on Women's Active Participation in the Workforce

Enhancing Corporate Competitiveness and Achieving Sustainable Economic Growth

Keidanren

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Introduction

Markets and the business environment are changing rapidly as globalization advances and Japan adjusts to a falling birthrate and an aging population. To respond flexibly to such changes, become more competitive, and grow sustainably, it is essential for companies to maximize their capabilities, respecting and making active use of the diversity that exists within their organizations. Diversity is also helpful in enhancing adaptability and risk management systems as markets change. The term "diversity" encompasses various factors such as ethnicity, nationality, religion, gender, age, and disability, but the most pressing of these issues for Japanese companies at the present time is ensuring gender diversity. For the purposes of this proposal, discussion of diversity will focus on women's active participation in the workforce.

The government's *Japan Revitalization Strategy: Japan is Back* released in June 2013, emphasized that promoting women's active participation in the workforce is crucial to achieving economic growth.¹ Companies have experimented with encouraging active utilization of women's skills ever since the enforcement of the Equal Employment Opportunity Act for Men and Women (hereinafter, "Equal Employment Opportunity Act") in 1986, and in the 21st century such efforts have become more wide-ranging. However, Japanese companies' endeavors to utilize women's capabilities are still well behind those of their competitors in other countries. This has frequently been noted in international commentaries such as the *OECD Employment Outlook 2013*² and the World Economic Forum's *Global Gender Gap Report 2013*.³

In July 2013, Keidanren established a Subcommittee on Gender Diversity under its Committee on Corporate Behavior to accelerate efforts to promote the active utilization of women's skills in Japanese enterprises. This subcommittee met once a month until March 2014, and the results of its discussions are summarized in this proposal. Issues related to promoting women's active participation in the corporate workforce are

 $^{^1}$ "In particular, it is essential for the 'power of women'—Japan's greatest potential which has not been leveraged fully to date—to be fully utilized. This is critical from the standpoint of securing human resources who will support the new growth sectors amid concerns over the decreasing workforce population due to the declining birthrate and aging population."

² Published July 2013. Japan ranked 24th out of 34 OECD member countries for average employment rate of women aged 25–54.

http://www.oecd.org/els/emp/oecdemploymentoutlook.htm

³ Published October 2013. Japan's gender gap ranked 105th out of 136 countries surveyed, its lowest ranking ever.

http://www.weforum.org/reports/global-gender-gap-report-2013

discussed under the headings of "Employment Continuity" and "Promotion to Managerial and Board Positions." The proposal also examines wider social issues in the sections entitled "Gender Role Stereotypes" and "Human Resource Development for Women in Science and Engineering," identifying key points and suggesting action to be taken by Keidanren, enterprises, the government, and other stakeholders.

I. Women's Active Participation in the Workforce: Why We Need It

As a first step toward genuinely promoting women's active participation in the workforce, top corporate management must instill awareness and encourage efforts throughout their organizations by understanding the significance of women's participation and showing that they are strongly committed to it. To this end, top management and all employees should be aware that efforts are needed, not for just women's rights or offering "generous(female-friendly)" employment benefits, but for enhancing corporate value by boosting competitiveness and thus constitutes a strategy to ensure that Japan's economy and society can grow sustainably.

Why is it important? The reasons are as follows.

1. To Secure People of Ability

Japan's low birthrate and aging society will result in a shrinking labor force. To secure the top-caliber human resources required to enhance competitiveness and ensure corporate growth, enterprises must appoint and promote the best people regardless of gender, even in companies, organizations, and industries with traditionally male-dominated management and operations. In this sense, promoting women's active participation in the workforce is a core element of mid- to long-term corporate human resource strategy and can be regarded as a form of risk management. More than 90 percent of respondent companies to a Keidanren survey⁴ cited "Attracting and retaining top-caliber human resources" as a reason for promoting women's active participation in the workforce.

In companies and industries where women have played key roles in fields such as sales and customer service, there is a growing awareness that the future depends upon fully

⁴ Keidanren, *Survey on Promoting Women's Active Participation in the Workforce*, July 29, 2013. http://www.keidanren.or.jp/policy/2013/072.pdf (in Japanese)

utilizing the skills of women, who represent the bulk of employees. For example, some companies that have operated employment management differentiated by career track are seeking to unlock the potential of excellent employees by actively encouraging them to switch from clerical positions to the career track, abolishing employment management differentiated by career track, and promoting women from clerical roles to managerial positions.

Meanwhile, graduate jobseekers are paying more attention to companies' efforts to support work-life balance and promote women's active participation in the workforce. Appearing in rankings such as the Ministry of Economy, Trade and Industry (METI)'s "Diversity Management Selection 100" or the "Nadeshiko Brand" list of enterprises that are leaders in encouraging women's success (selected and published jointly by METI and the Tokyo Stock Exchange) can have a major impact on recruiting.

2. To Address Changes in the Business Environment Flexibly

The essence of diversity management lies in encouraging innovation in decision-making, work styles, products, and services, and enhancing organizational responsiveness to changes in markets and the business environment, by improving, respecting, and actively utilizing organizational diversity and enabling employees to give full play to their skills.

Women's consumer insights have long been utilized to develop products and services. By extending this contribution to a broader range of industries, business units, and occupations, diversity can generate innovation. Teams assembled with a view to diversity have played major roles in developing hit products, and actively incorporating women into previously male-dominated fields has resulted in new and efficient work methods.

There is no guarantee that systems and approaches used in the uniformly male-dominated enterprises of the past will suit rapidly changing markets and business environments. Increasing organizational diversity and embracing a variety of perspectives enhance corporate management and risk response capabilities, ultimately helping to protect and enhance corporate value.

Encouraging diversity at the decision-making level is expected to generate many further

success stories, including management reforms.

3. To Achieve Sustainable Growth for Japan's Economy and Society

By enhancing access to top-caliber human resources and responsiveness to changes in the business environment as outlined above, promoting women's active participation in the workforce will not only help companies to become more competitive and grow sustainably, but also have positive effects on Japan's economy and society. In addition to raising GDP,⁵ higher female labor force participation rates will boost government revenue by increasing the number of taxpayers and make social security systems more sustainable. Higher household incomes can be expected to bolster consumption and create a virtuous circle that will buoy the economy. As more and more women continue to work, consumer behavior is likely to change, creating or expanding markets for housework and childcare products and services.

II. Women's Active Participation in the Workforce: What Difficulies Are

1. To Continue Working

(1) Current Situation

As outlined in Chapter I above, women's active participation in the workforce is essential to corporate management strategy. For more women playing active roles in society and participating at decision-making levels, continuity of employment for female workers is prerequisite; in other words, creating an environment where giving birth or raising children is not a reason to quit work.

Although many large companies introduced career streams for women with the enforcement of the Equal Employment Opportunity Act in 1986, at that time few career-track women were employed, and retention rates were low primarily because

⁵ In her remarks at the Asia Pacific Economic Cooperation Women and the Economy Summit in September 2011, then US Secretary of State Hillary Clinton commented that reducing barriers to female labor force participation would increase Japan's GDP by 16%. During a visit to Japan in October 2012, IMF Managing Director Christine Lagarde noted that if Japan's female labor force participation increased to the level of other G7 nations except Italy, Japan's per capita GDP would rise by 4%, and that if the nation's female labor force participation increased to Northern European levels—the highest in the world—its per capita GDP would rise by 8%.

there were no women in senior positions to act as role models, superiors and coworkers were unaccustomed to communicating with career-track women, and social awareness of the importance of employment continuity for women was lacking. Women found it especially difficult to continue working while raising children.⁶

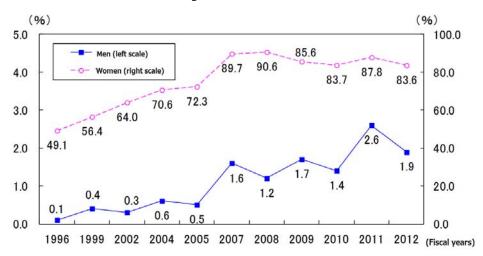
However, a legal framework for employment continuity was gradually established, and with the enforcement of the Childcare Leave Act in 1992, male and female workers with children under one year of age became eligible for childcare leave as a rule. Around the same time, concerns over labor shortages due to a shrinking workforce and greater understanding of women playing active roles in society caused many enterprises to attach more importance to employment continuity for women. Companies introduced in-house systems tailored to their own circumstances, and these systems went beyond statutory requirements to extend the availability of childcare leave or reduced working hour schemes and broaden eligibility for other work-life balance support programs. At the same time, rather than merely putting measures in place, they created environments that encouraged the active use of such systems by raising employee awareness with messages from top management and training sessions for managers.

Through such efforts, to a certain extent an environment was created where women could continue working after childcare leave rather than having to resign when they married or gave birth. In the 1990s around 50% of working women used their childcare leave eligibility, and from the late 2000s the figure rose above 80% (see Figure 1). The M-shaped curve in female workforce graphs, which reflects a temporary dip in labor force participation rates as women marry and have children in their late 20s and early 30s, also began to flatten out (see Figure 2).

In conjunction with society-wide changes in women's attitudes to work, a sharp drop in resignations of women giving birth and raising children is being recognized in enterprises where schemes that enable the balancing of work and family commitments are comprehensive and well used.

⁶ A survey of retention rates for new employees recruited by major enterprises (focusing on listed companies) in 1986 showed that five years after recruitment the retention rate for male university graduates was 84.5%, whereas that for female university graduates was just 50.4%. Source: *Rosei jiho* (Labor policy journal), No. 3035, September 6, 1991.

Figure 1: Childcare Leave Take-Up Rates

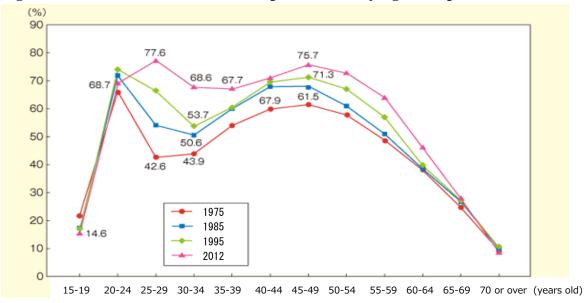


Notes:

- 1. Figures up to and including fiscal 2010 show what percentage of women who gave birth (or men whose spouses gave birth) in the previous fiscal year (April 1 to March 31) had commenced childcare leave by the survey date of October 1 (including those who had applied to commence childcare leave by that date).
- 2. In 2010, the period during which childcare leave could be taken was extended in cases where both parents took leave. Due to this change, figures from fiscal 2011 onward show what percentage of women who gave birth between October 1 two years prior to the survey and September 30 in the year before the survey had commenced childcare leave by the survey date of October 1.
- Due to the impact of the Great East Japan Earthquake, survey results for fiscal 2011 exclude Iwate, Miyagi, and Fukushima Prefectures.

Sources: Ministry of Health, Labour and Welfare (MHLW), *Basic Survey of Employment Management of Women* (for figures up to and including fiscal 2005); and MHLW, *Basic Survey of Gender Equality in Employment Management* (for figures from fiscal 2007 onward).

Figure 2: Women's Labor Force Participation Rates by Age Group



Notes:

- Prepared from figures in the Ministry of Internal Affairs and Communications (MIC), Labour Force Survey (Basic Tabulation).
- "Labor force participation rate" is the percentage of women aged 15 or over who are economically active (i.e., those in employment plus those who are unemployed and seeking work).
 Source: Cabinet Office, White Paper on Gender Equality 2013.

(2) Issues

(a) Shortage of Childcare Services

In addition to corporate systems supporting work-life balance, comprehensive childcare services are essential to continuity of employment for women. Government efforts to eliminate childcare waiting lists need to be accelerated, since inability to place children in childcare facilities is a factor behind women extending childcare leave or having to resign even though they are willing to continue working.

More enterprises are establishing in-house childcare centers to supplement public childcare services, but subsidies for such in-house facilities are limited and other obstacles exist; for example, widely dispersed workplaces in some industries make it unrealistic to set up in-house childcare centers.

In urban areas with a high proportion of workers in tertiary industries such as retail, services, and welfare, many people work irregular hours, early in the morning, late at night, or on weekends and national holidays. Since city-dwellers often have no relatives nearby who can care for children, their childcare needs are more diverse than those of people in other regions.

Moreover, the lack of after-school childcare services for elementary school pupils makes it difficult for parents to balance work with child raising, and many parents come up against a wall when their children begin school. More comprehensive public-sector childcare services are required.

(b) Resignation Due to Relocation (within a company)

For working mothers, a relocation—for either themselves or their spouses—can present as great an obstacle to employment continuity as giving birth and raising children. As discussed below, gender role stereotyping is prevalent in Japan, where men are expected to work and women are expected to take care of the home. If spouses are to continue living together after a relocation, in most cases it is the woman who resigns. If such women wish to find another job in the new location, they face other difficulties; they may only be there for a limited time, or may not be able to access childcare services. If they choose to live apart from their husbands, they are likely to have great difficulty in continuing to work while raising children on their own.

Recognizing that the enterprise also loses out when excellent personnel resign due to a spouse's relocation some employers try wherever possible to transfer people to the new location their spouses are being sent to, if their company also has workplaces in that area. Other companies have unpaid leave systems and reemployment schemes that have some effect in facilitating continuity of employment for permanent employees. More fundamental solutions will require revised employment practices in conjunction with greater labor market fluidity, and a first step in this direction would be a scheme for matching employment supply and demand between different enterprises to assist with reemployment of workers who resign due to a spouse's relocation.

2. Promotion to Managerial Positions and the Board of Directors

(1) Current Situation

Continuity of employment for women improved to a certain extent in the 2000s as enterprises enhanced personnel systems supporting work-life balance, and working environment became more conducive to use of such systems. However, there are very limited number of women, who are in managerial positions and/or on the board of directors.. In the private sector, between 1989 and 2012 the proportion of women in managerial positions rose from 4.6% to 14.4% at team leader level, 2.0% to 7.9% at section head level, and 1.3% to 4.9% at department head level (see Figure 3). A Keidanren survey of women in board positions⁷ showed that 30.7% of respondents—or 107 companies—had female board members, but in the majority of these cases only one member of the board was a woman. In 2003 the government set a target of women accounting for at least 30% of leadership positions⁸ by 2020, but the current situation is far from fulfilling this goal. The proportion of women in managerial positions in Japan is also low in international terms (see Figure 4).

⁷ Keidanren, Follow-Up Survey on Promoting Women's Active Participation in the Workforce, July 29, 2013.

http://www.keidanren.or.jp/policy/2013/073.pdf (in Japanese)

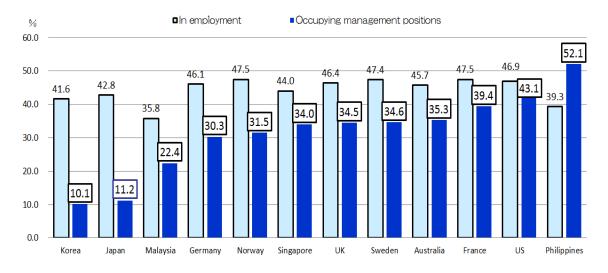
⁸ Leadership positions are defined as: (1) members of local and national parliaments, (2) section managers or above in private companies and other organizations, and (3) highly specialized technical and specialist roles (resolution of the Council for Gender Equality, 2007).

18 Department head or equivalent(private sector) 16 15.3 Section head or equivalent(private sector) 14 Team leader or equivalent(private sector) 13.7 12 10 8 6 4 2 0 1989 1991 1993 1995 1997 1999 2001 2003 2005 2007 2009 2011 2012

Figure 3: Proportion of Women in Managerial Positions

Note: Prepared from MHLW, Basic Survey on Wage Structure. Source: Cabinet Office, White Paper on Gender Equality 2013.

Figure 4: International Comparison of Proportion of Women in Employment and **Occupying Management Positions**



Notes:

- Prepared from figures in MIC, Labour Force Survey (Basic Tabulation), 2012; and the Japan Institute for Labour Policy and Training, Databook of International Labour Statistics 2013.
- Data is from 2012 for Japan and 2011 for other countries.

 "Management positions" are defined as company officers, positions equivalent to section managers or above in the private sector, and managerial roles in the public sector.

Source: Documents prepared by the Cabinet Office.

(2) Issues⁹

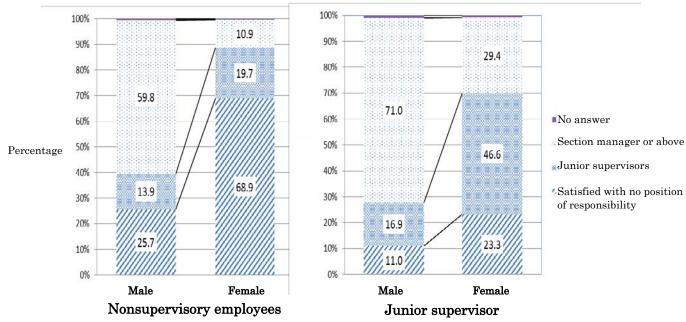
(a) Career Consciousness

One reason behind the low numbers of women in managerial positions is a lack of career consciousness and ambition for advancement among female employees. According to the *Survey on the Careers and Work-Life Balance Support of Male and Female Regular Employees* published by the Japan Institute for Labour Policy and Training (JILPT), compared to men a remarkably low number of women in nonsupervisory or junior-supervisory positions at companies with 300 or more full-time employees desire promotion (see Figure 5). When asked their reasons for not seeking promotion, more women than men cited difficulty in balancing work and family commitments, lack of opportunity for promotion in their employment category, or the absence of managers of their gender in the workplace (see Figure 6).

Gender role stereotypes, to be discussed further below, create an environment where it is difficult for women to be career conscious. Moreover, it is not easy for women to work full-time while raising children in a society where the bulk of housework and childcare responsibilities fall on women and long hours of work are common in many workplaces. Consequently, many women hesitate to return to full-time work after reducing their hours following childbirth. Even if women do return to full-time work, they tend to choose to work in moderation and abandon any desire for promotion. In some cases women give up their desire for promotion soon after joining a company when they see the struggles that more senior female employees face. Another factor undermining women's ambition for advancement is the lack of female managers around them; since there are few role models of their own gender, women have limited opportunities to see the benefits of becoming a manager.

⁹ For connections between issues (a) to (d) listed in this section, see 21st Century Occupation Foundation, *Survey on Working Mothers' Ambition for Advancement and Motivation*, July 12, 2013.

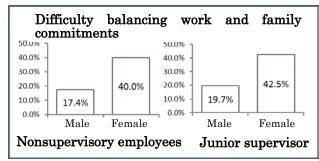
Figure 5: Desire for Promotion among Nonsupervisory Employees and Junior Supervisors

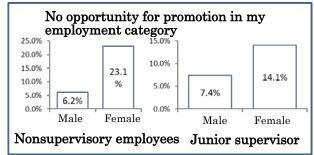


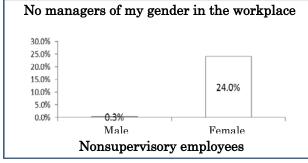
Note: Survey targeted employees throughout Japan working at companies with 300 or more full-time employees.

Source: Prepared by the Keidanren Secretariat from results of JILPT, Survey of the Careers and Work-Life Balance Support of Male and Female Regular Employees, March 2013 (section on desire for promotion among nonsupervisory employees).

Figure 6: Reasons Why Nonsupervisory Employees and Junior Supervisors Do Not Desire Promotion







Source: Prepared by Keidanren Secretariat from results of JILPT, Survey of the Careers and Work-life Balance Support of Male and Female Regular Employees, March 2013(section on reasons for nonsupervisory employees not desiring promotion)

Notes:

- 1. Question targeted at respondents who were nonsupervisory employees or junior supervisors and said they did not desire promotion to section manager level or above.
- 2. Extract showing responses that were selected by far more women than men.

(b) Career Path

Women's careers tend to be delayed if the years when they should be gaining crucial experience through promotions and overseas postings overlap with work constraints imposed by leave or reduced working hours for childbirth and childcare. In surveys, 10 the current absence of women with the required knowledge, experience, and decision-making ability is always among the top reasons given for women not advancing to managerial and board positions. It is also noted that as work-life balance support schemes are enhanced and work environments become more conducive to the use of such systems, women tend to use them for longer periods, which further delays their careers.

(c) Managers' Behavior and Personnel Management Practices

Nothing has greater impact on women's use of work-life balance support schemes, career consciousness, and career paths than the attitudes and personnel management practices of their immediate superiors. However, managers accustomed to a rigidly uniform set of values where men dominate and work always takes priority are sometimes confused about what sort of guidance to give female employees, or offer misplaced guidance due to insufficient understanding of work-life balance issues. For example, some male managers are excessively considerate of female subordinates, such as refraining from scolding them solely because they are women, and encouraging those raising children to go home earlier than necessary, which can have the unintended effect of demotivating women. Women's career paths can also be hampered by managers who consciously or unconsciously refrain from allocating important work to women, or categorize work along gender lines.

(d) Custom of Working Long Hours

In workplaces with a culture of long working hours for permanent employees, some women feel they have to continue working reduced hours during childcare out of fear that they would inevitably end up putting in long hours as soon as they returned to full-time work. Even if women strive to produce results efficiently while working shorter hours during childcare, in workplaces where employees who put in long hours are evaluated highly, such women may not be appraised fairly in comparison to coworkers who put in unlimited hours.

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¹⁰ For example, MHLW, Basic Survey of Gender Equality in Employment Management (Corporate Survey), 2011.

3. Stereotype about Women's Role

(1) Current Situation

Gender role stereotypes are prevalent in Japan, where men are expected to work and women are expected to take care of the home, and these preconceptions are a factor behind long working hours, gender-based allocation of work, and the differing attitudes of men and women to work and family.

In reality, however, the number of full-time homemakers continues to decline. Since the 2000s, the number of households where both spouses work has outstripped the number of households with full-time homemakers (see Figure 7).

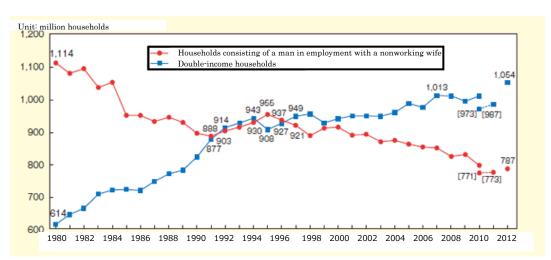


Figure 7: The Rise of Double-Income Households

Notes:

- 1. Figures for 1980 to 2001 were taken from MIC, Special Survey of the Labour Force Survey (conducted each March from 1980 to 1982, and each February thereafter), and those for 2002 and subsequent years were taken from MIC, Labour Force Survey (Detailed Tabulation) (yearly average results).
- 2. "Households consisting of a man in employment with a nonworking wife" are households where the husband is employed in an industry other than agriculture or forestry and the wife is not working (i.e., not in the labor force, or unemployed and seeking work).
- 3. "Double-income households" are those where both husband and wife are employed in industries other than agriculture or forestry.
- 4. Figures given in brackets for 2010 and 2011 are national results excluding Iwate, Miyagi, and Fukushima Prefectures.

Source: Cabinet Office, White Paper on Gender Equality 2013.

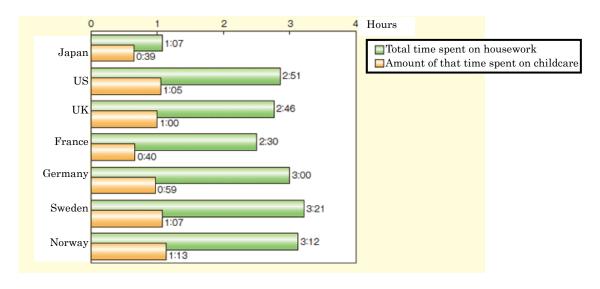
(2) Issues

Promoting women's active participation in the workforce will require overall rethinking of gender role attitudes and systems and work practices based on them to reflect changes in the wider social environment.

A typical illustration of the effects of gender role stereotypes is the very short time that men in Japan spend on housework or childcare (see Figures 8-1 and 8-2). The result of this phenomenon is that women in double-income households shoulder the bulk of housework and childcare responsibilities in addition to their paid work, and have difficulties balancing these commitments. Improving this situation will require changes to the culture of long working hours and reexamination of men's work styles and household involvement.

Gender role stereotypes are also connected to female employees' low level of career consciousness (discussed in 2.(2)(a) above). In this context, efforts are required in preemployment education to shape views of work so that it is quite normal for men and women to work and exercise their abilities equally.

Figure 8-1: Time per Day Spent on Housework and Childcare by Husbands with Children Aged under Six

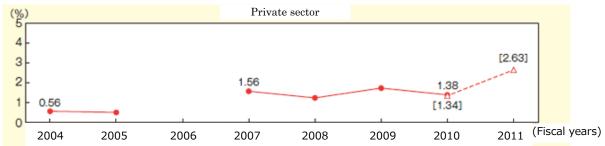


Notes:

- 1. Prepared from Eurostat, How Europeans Spend Their Time: Everyday Life of Women and Men, 2004; and MIC, Basic Survey on Social Life, 2011.
- 2. Figures for Japan represent total time spent on housework, nursing care, childcare, and household shopping by husbands in households consisting of husband, wife, and children.

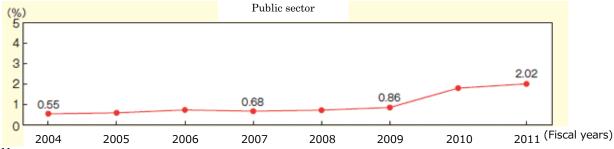
Source: Cabinet Office, White Paper on Gender Equality 2013.





Notes:

- 1. Prepared from MHLW, Basic Survey of Employment Management of Women (survey targets private enterprises employing five or more permanent workers). Figure for 2006 is not included because the survey target differed that year (enterprises employing 30 or more permanent workers). Figures for 2007 onward come from MHLW, Basic Survey of Gender Equality in Employment Management.
- 2. The take-up rate is the percentage of men with wives that gave birth in fiscal year prior to the survey (in the case of 2011, the year from October 1, 2009 to September 30, 2010) who had commenced (or applied for) childcare leave by October 1 of the survey year.
- 3. Figures in brackets are nationwide results excluding Iwate, Miyagi, and Fukushima Prefectures due to the impact of the Great East Japan Earthquake.



- Notes:
 - 1. Prepared from MIC and National Personnel Authority, *Toward the Enlargement of the Recruitment and Promotion of Female National Public Employees—Follow-Up Measures*. However, figure for 2011 comes from *Follow-Up Survey on Promotion of Female National Public Employees and Take-Up of Childcare Leave by National Public Employees*.
 - 2. Take-up rate is percentage of men with wives that gave birth in the relevant fiscal year who took a new period of childcare leave in that year (i.e., excluding those taking a second period of childcare leave).
 - 3. The 2010 figure excludes 850 people working in public offices where it was not possible to carry out the survey due to the impact of the Great East Japan Earthquake.

Source: Cabinet Office, White Paper on Gender Equality 2013.

4. Women in the Field of Science and Engineering

(1) Current Situation

Women account for about 40% of employees across all industries in Japan, yet they occupy less than 30% of positions in manufacturing and not even 10% of specialist and technical positions in the manufacturing sector (see Figure 9). This shortage of female science and engineering technicians is a main reason why the women's active participation in the manufacturing workforce is not progressed. Small numbers of female university students majoring in science and engineering, especially mechanical and electrical engineering, are a factor behind the shortage. When we consider students'

specialist fields by gender, more women than men study pharmacology and nursing, whereas just 11.7% of engineering students are women (See Figure 10). Thus although the manufacturing sector has a high level of demand for science and engineering graduates, it currently has difficulty boosting recruitment of women.

100%
80%
60%
40%
20%
All industries
Manufacturing Specialist and technical positions (manufacturing)

Figure 9: Women Employees by Industry in Japan

Source: MIC, Annual Report on the Labour Force Survey 2012.

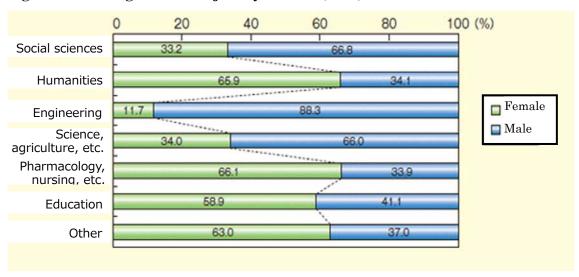


Figure 10: Undergraduate Majors by Gender (2012)

Notes:

1. Prepared from Ministry of Education, Culture, Sports, Science and Technology, *School Basic Survey*.

2. "Science, agriculture, etc." is the total of science, agriculture, medicine, and dentistry. "Other" is the total of domestic science, art, and other majors.

Source: Cabinet Office, White Paper on Gender Equality 2013.

(2) Issues

It has been pointed out that women do not major in science or engineering partly because they have negative preconceptions about these subjects, including concerns that students are required to sleep over in labs during experiments, that solitary research is depressing, or that such study is expensive. Despite the central part that scientific and technological innovation has played in Japan's industrial development, everyday life—including education—offers few opportunities to gain a real sense of the significance and role of science and technology. Students also have a biased image of science and engineering because they are not aware that graduates in these disciplines have a wide range of career possibilities beyond technical and research positions. There is a need to raise interest in science and engineering from an early age. Furthermore, given that teachers and parents have strong influence when students are choosing study options, it is essential to create opportunities for teachers and parents as well as students to gain a sound understanding of science and engineering careers.

III.Future Initiatives for Women's Active Participation in the Workforce

Keidanren will encourage enterprises to take the lead in addressing the above issues in order to further accelerate women's active participation in the workforce. At the same time, all key players including national and local governments and universities need to cooperate in devising fundamental, society-wide solutions to these issues.

1. To Publish Corporate's Action Plans (Corporates, Keidanren)

As mentioned above in "I. Women's Active Participation in the Workforce: Significance and Effects," to encourage women's active participation it is crucial for top corporate management to display a clear commitment to planned efforts within their organizations and to display strong leadership in fulfilling objectives. Formulating and publishing concrete action plans is a highly effective way of demonstrating corporate intent both within and outside the enterprise.

The circumstances of each enterprise differ when it comes to encouraging women's active participation in the workforce, depending on factors including corporate history, business type, industry, and business scale. Thus it is not appropriate to impose a

uniform quota for the proportion of managerial and board positions to be occupied by women or to make purely numerical comparisons, since such approaches may not enable accurate assessment of corporate initiatives. Each enterprise should take the lead in proactively formulating and publishing a concrete action plan based on its own circumstances.

Keidanren will post voluntary action plans on promotion of women to managerial and board position published by its members on the Keidanren website.

2. To Develop Career Consciousness (Corporates)

Enhancing career training, presenting role models, and building networks are all effective methods of raising women's career consciousness in enterprises.

Specifically, at some companies training at the pre-management level that enables women to upgrade their skills and gain a real sense of management-level work has raised the proportion of women aspiring to managerial positions. Many companies also present role models by using intranet or in-house magazines to publish profiles of female employees who have succeeded in balancing work and family commitments.

However, as the number of working women grows, female employees find themselves dealing with a variety of situations, including family circumstances and issues presented by their spouse's work. In this context, small numbers of role models with uniform advice based on a specific view of work sometimes fail to elicit empathy. Some people feel it is more effective to help women find their own role models to identify with in networks comprising women of the same generation. Thus rather than presenting role models, some enterprises have established communities of female employees who are raising children.

3. To Support Career Development (Corporates, Keidanren)

To create an environment where women can be promoted to managerial positions, enterprises need to find ways of ensuring that women's careers are not derailed by childbirth and childcare. Some companies exclude periods of maternity and childcare leave from personnel appraisals and base promotion decisions on performance prior to such leave. Others give career opportunities in the earlier stage so that women can build

a record of work successes and management experience before having children. In these enterprises, such proactive initiatives have succeeded in enabling women to balance work and family commitments while maintaining career consciousness during the child-raising years.

Some enterprises have had success with "positive action" initiatives that proactively provide women with opportunities to shape their careers en route to promotion to a managerial position. Fair personnel appraisal and advancement systems are a prerequisite for such efforts. Specifically, the personnel department steadily manages career advancement by formulating individual development plans for women who are prospective candidates for managerial positions and checking that they are assigned to key roles required to shape their careers.

It is also important to ensure that, in addition to practical in-house experience, candidates for managerial and especially board positions have opportunities to gain experience and build networks outside the company. Since such opportunities have been relatively rare for women, a more conscious effort to provide them is required. To offer such opportunities, Keidanren will consult with its members to establish a management development course for women.

4. To Change Managers' Attitudes and Personnel Management (Corporates, Keidanren)

Managers have powerful influence over women's career consciousness and career paths, and there is a need to continually raise their awareness of the requirement for diversity management and approaches to communication, management, and human resource development that take into account behavioral trends characteristic of female employees.

In day-to-day guidance and communication, especially, managers need to display leadership that enables their diverse subordinates, including women, to give full play to their abilities, produce results, and gain fulfillment and a sense of achievement from their work. Managers need to understand that this requires approaches that differ from the one-dimensional, uniform management practices common in the male-dominated workplaces of the past.

Keidanren will conduct regular Diversity Management Seminars for its members' managers to reaffirm the need for women's active participation in the workforce and encourage participants to consider management styles that enable all employees, including women, to display their skills.

5. To Reconsider Way of Working (Corporates, Government)

Enterprises need to reconsider overall way of working to create fulfilling workplaces where all employees can fully exercise their abilities, including those dealing with a variety of commitments such as nursing care as well as women looking after children.

To rectify the culture of long working hours that has evolved in Japan, enterprises need to reform work styles so that duties can be completed within a set time frame, and alter appraisal mechanisms so that such way of working is evaluated appropriately. One possible option is to establish management systems that clarify as far as possible the duties and work processes required of each position and give credit for completing work within specified hours or a defined period. Some companies where long working hours had previously been the norm have sharply reduced overtime by prohibiting or restricting after-hours work at night and shifting to early morning overtime. Others have greatly reduced working hours by quantifying work processes and allocating tasks efficiently.

Telecommuting schemes and discretionary working-hour systems offer further options for diverse and flexible work styles. Some enterprises have already introduced work-from-home schemes and satellite offices. The government should swiftly create an environment conducive to such approaches by amending relevant laws.

Moreover, to rectify the current situation where women shoulder the bulk of housework and childcare and create an environment where women can devote themselves to work in the same way that men do, enterprises need to make it easier for male employees to share in household duties, for example by encouraging them to take childcare leave. Even if men take such leave for only a short period, or even if their wives are full-time homemakers, experiencing the trials of housework and childcare while on leave is likely to change their attitudes to helping with childcare in the future and enhance their understanding of the circumstances faced by women in their workplace.

6. To Extend Career Education with Understanding of the Social and Economic Environment (Corporates, Government, Universities, Keidanren)

The work attitudes held by new recruits when they are first employed have a major impact on subsequent ambition for advancement and career paths. For this reason, career education from the preemployment stage should enable students of both sexes to draw up concrete career and life plans that are based on an assumption of continual employment and accurately reflect the social and economic environment. For example, students should be given opportunities to interact with various professionals as they consider career paths, the significance of work, and the importance of financial independence. As they think about the relationship between work and key life events such as getting married, giving birth, and raising children, it is especially important that students gain a view of work that is not biased by gender role stereotypes, including those relating to the roles of women and men in housework and childcare. The government needs to enhance career education in close cooperation with business enterprises and universities.

Keidanren will contribute to enhancement of preemployment career education through initiatives including sending businesspeople to speak in schools.

7. To Consider and Find the Fair Tax and Social Security Systems (Government)

Elements of the tax system including tax deductions and exemptions for spouses, and aspects of the National Pension scheme such as Category 3 member classification (whereby dependent spouses are not required to pay contributions), were designed according to a family model that was based on gender role stereotypes. As the social and economic environment has changed in conjunction with the increase in double-income households, commentators have noted that these systems distort women's work styles.

The government should start examining tax and social security systems that have neutral impacts on women's work styles. As well as removing distortion, work-neutral systems would have symbolic significance in helping to eliminate gender role stereotypes.

8. To Make Further Efforts to Eliminate Childcare Waiting Lists (Government)

In order to enhance childcare services, the government needs to steadily implement the Plan to Accelerate the Elimination of Childcare Waiting Lists it announced in fiscal 2013, aiming at early achievement of its target of providing additional 400,000 daycare openings by the end of fiscal 2017.

In addition, the government should take account of childcare needs in regional areas by further enhancing after-school care and diverse forms of childcare services including night-time and weekend care.

9. To Encourage Women to Enter into the Field of Science and Engineering (Government, Universities, Corporates, Keidanren)

To give girls an accurate understanding of science and engineering, and at the very least to enable them to pursue studies in these fields without being swayed by prejudices or preconceptions that women are unsuited to science and engineering, the government should work with industry, universities, and other stakeholders to incorporate the following content into curricula at elementary, junior high, and high schools:

- (1) Opportunities to learn and experience how science and technology are utilized by society and contribute to it; and
- (2) Accurate information on the types and ways of women's working in the fields of science and engineering.

To put this idea into practice, it will be crucial to involve parents and teachers, who exercise powerful influence over girls' educational choices.

The government, universities, and business have already begun efforts to communicate the attractions of working in science and engineering to girls at all levels of schooling through events such as seminars and university open days. In collaboration with these sectors, Keidanren will publish pamphlets with profiles of women working in science and engineering jobs and organize large-scale events involving multiple enterprises.

Conclusion

Promoting women's active participation in the workforce goes beyond just improving women's status. It is not a question of responding to international pressure or simply following a trend. With a shrinking population, Japan must utilize the skills and abilities of all people to the greatest possible extent. If enterprises and society as a whole can utilize women's skills, there is broader potential to tap into the abilities not only of women, but also of young people, foreign workers, and other groups. This is a business strategy to make enterprises more competitive and a growth strategy to enable the sustainable development of the Japanese economy.

Everyone from top corporate management to executives, frontline managers, individual employees, and all the stakeholders that make up society must understand this and cooperate from a long-term perspective to change society as a whole.

Enterprises are already making proactive voluntary efforts. Keidanren will support such efforts and cooperate with various stakeholders throughout society to steadily implement the action plan set out in this proposal.

Five Keidanren Initiatives

- 1. Posting voluntary action plans on promotion of women to managerial and board position published by its members on the Keidanren website.
- 2. Establishing a management development course for women to offer opportunities to gain experience and build networks outside the company after consulting with its members.
- 3. Conducting regular Diversity Management Seminars for its member's managers to reaffirm the need for women's active participation in the workforce and encourage participants to consider management styles that enable all employees, including women, to display their skills.
- 4. Contributing to enhancement of preemployment career education through initiatives including sending businesspeople to speak in schools.
- 5. Publishing pamphlets with profiles of women working in science and engineering jobs and organizing large-scale events involving multiple enterprises in collaboration with the government, universities, and business.