International Symposium

The Science of Japanese Personnel Management
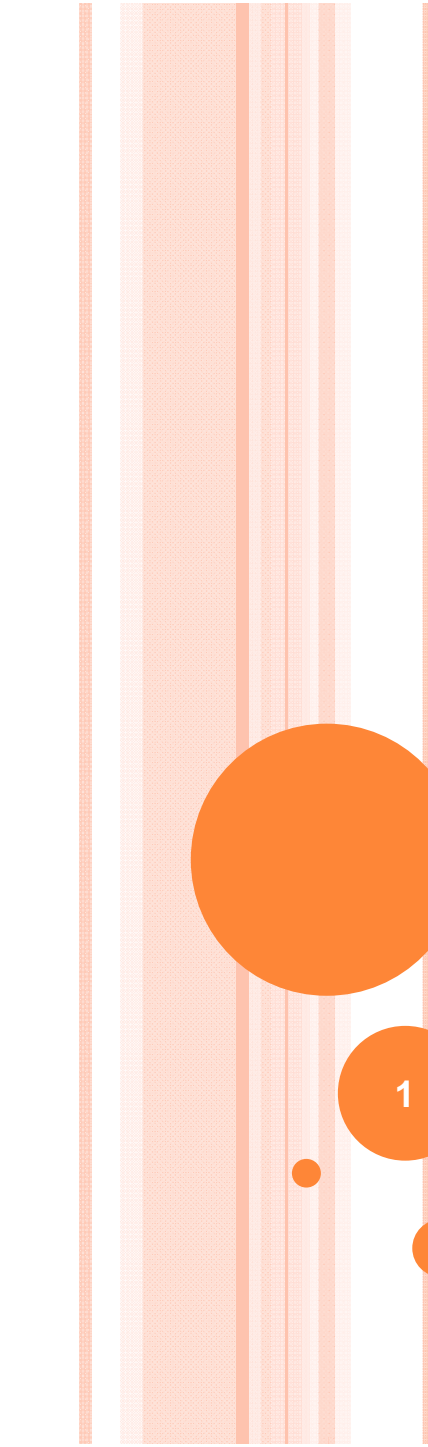- Rethinking employment systems in the era of globalization

Handout

SATO Hiroki

Professor at Interfaculty Initiative in Information Studies
and Institute of Social Science, The University of Tokyo

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Expanding Work Opportunities for Women and Support for Work-Life Balance: The Roles of Managers

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Hiroki SATO

Professor

The University of Tokyo, Interfaculty Initiative in Information Studies

July 12, 2013

Expanding work opportunities

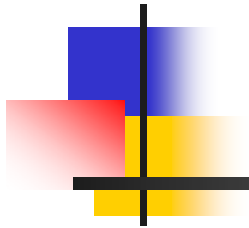○ <u>Continuous employment of women is necessary</u> in order to increase the number of female managers.

→ Generally takes about 15 years of service to become a front line manager under the typical promote-from-within policy.

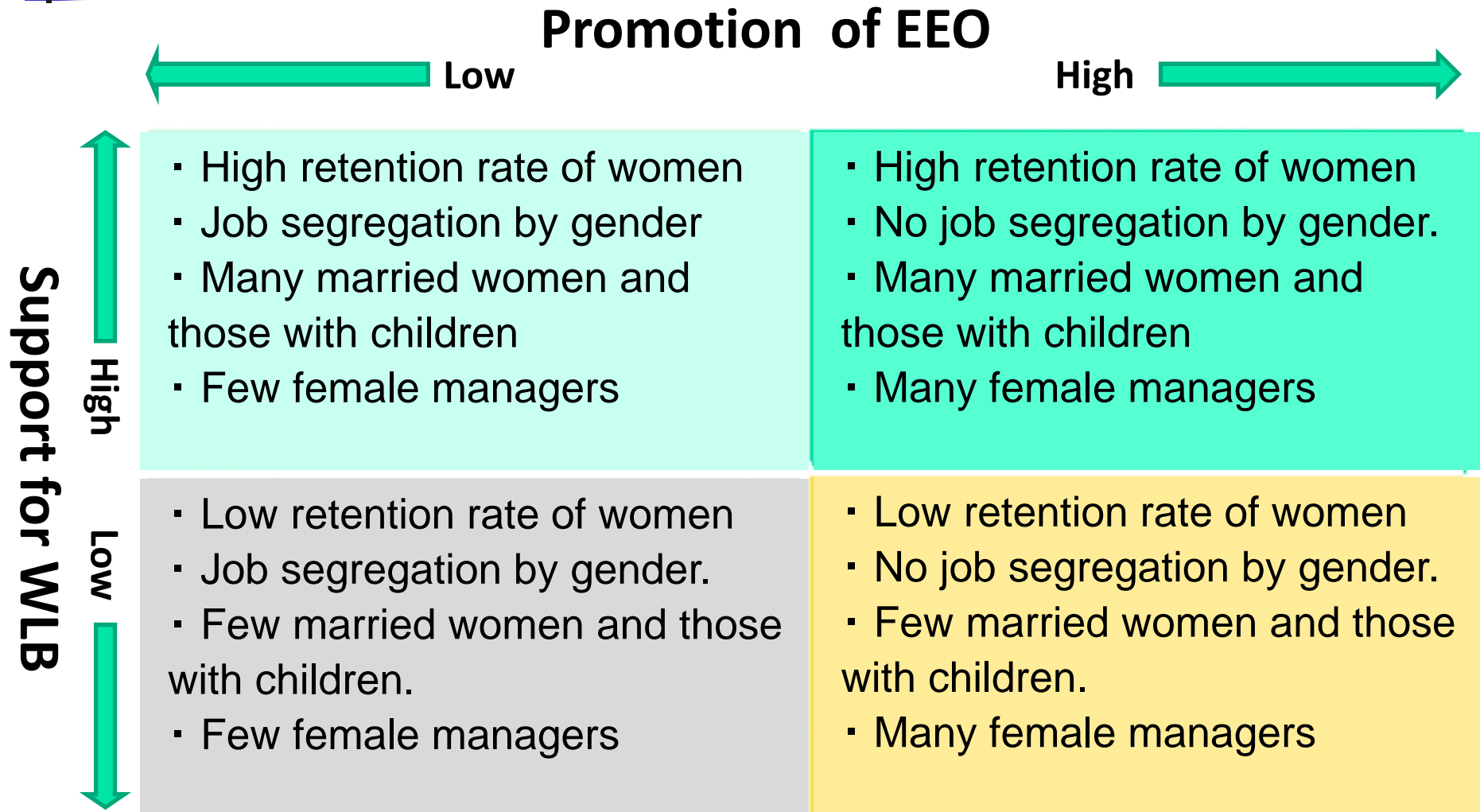But, continuous employment alone does not work.
→ <u>Opportunities to develop managerial skills are needed.</u>

⇒<u>Both support for WLB which encourages women to continue their careers AND equal opportunities for skill development are essential.</u>

Support for WLB
# and
Equal Employment Opportunity

The relationship between WLB and equal employment opportunity (EEO)

Promotion of EEO

Low ← → High

Support for WLB — High / Low

	Low	High
High	・High retention rate of women ・Job segregation by gender ・Many married women and those with children ・Few female managers	・High retention rate of women ・No job segregation by gender. ・Many married women and those with children ・Many female managers
Low	・Low retention rate of women ・Job segregation by gender. ・Few married women and those with children. ・Few female managers	・Low retention rate of women ・No job segregation by gender. ・Few married women and those with children. ・Many female managers

Change in the number of female managers

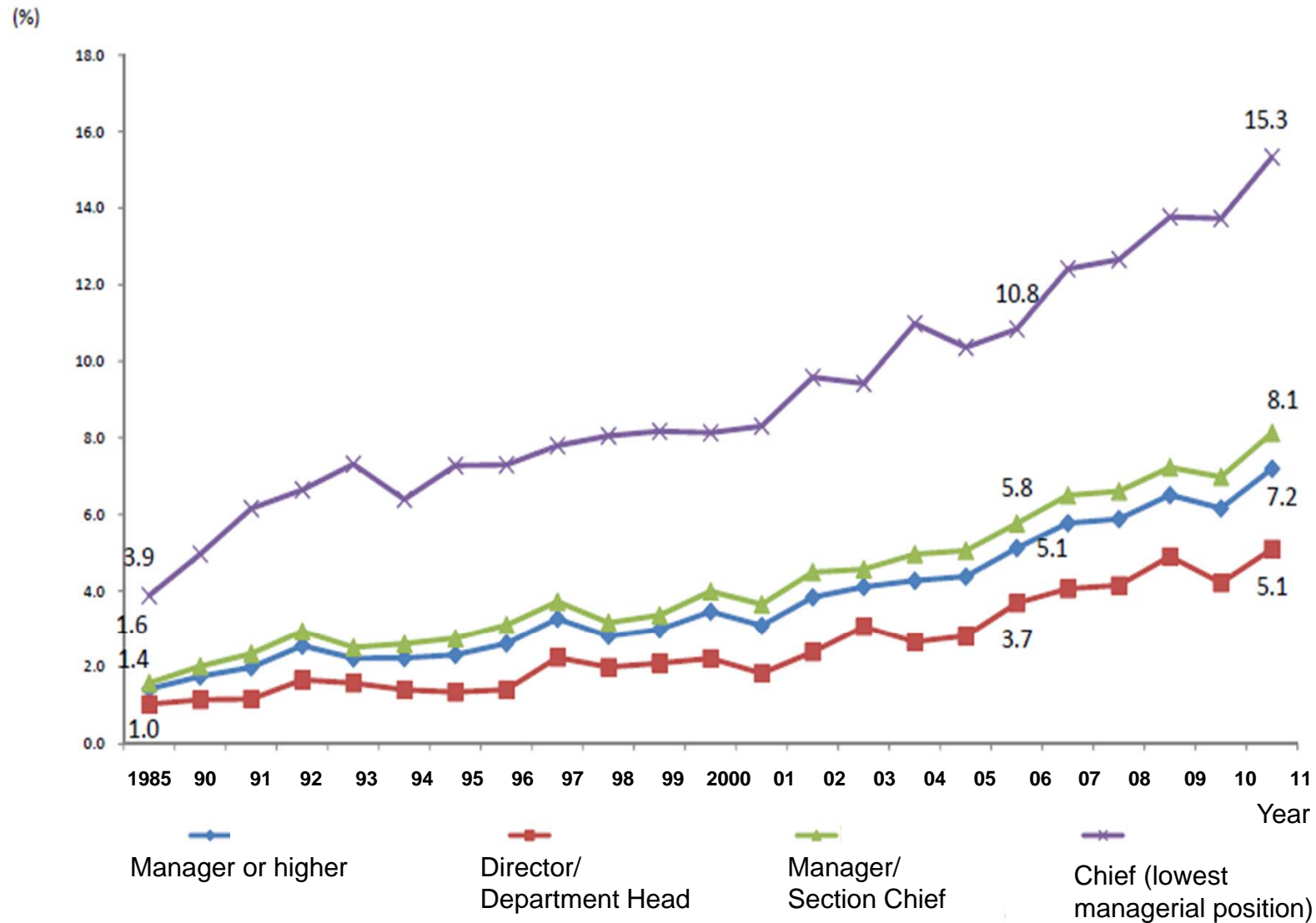# International comparison of the ratio of female managers
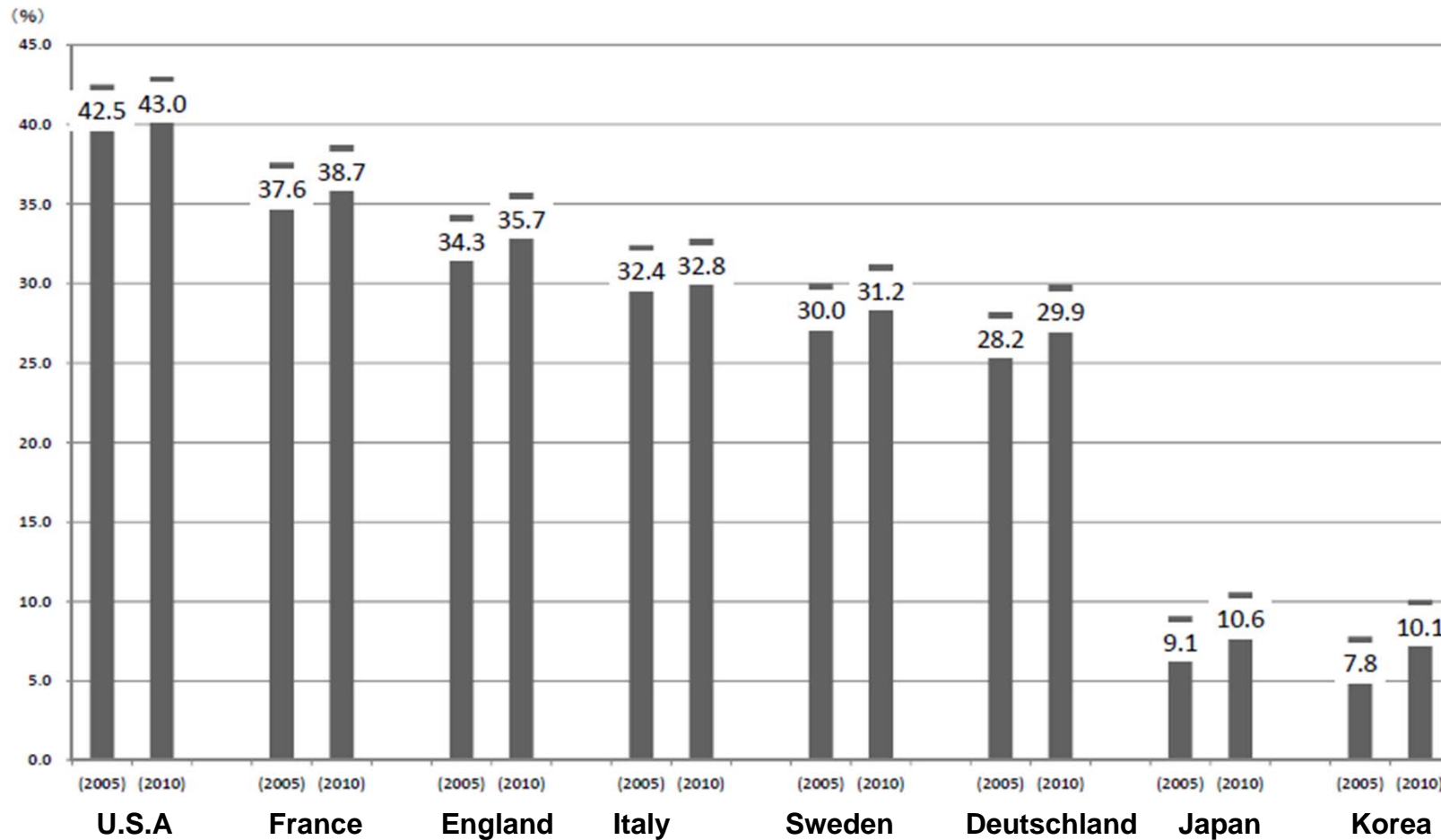
Notes:
1) Japan uses a different classification standard (ISO-68) from that used in other countries (ISO-88), making comparison difficult.

2) "Managers" refers to workers engaged in management (for example, company director, the rank of manager or higher in companies and civil servants with managerial jobs).
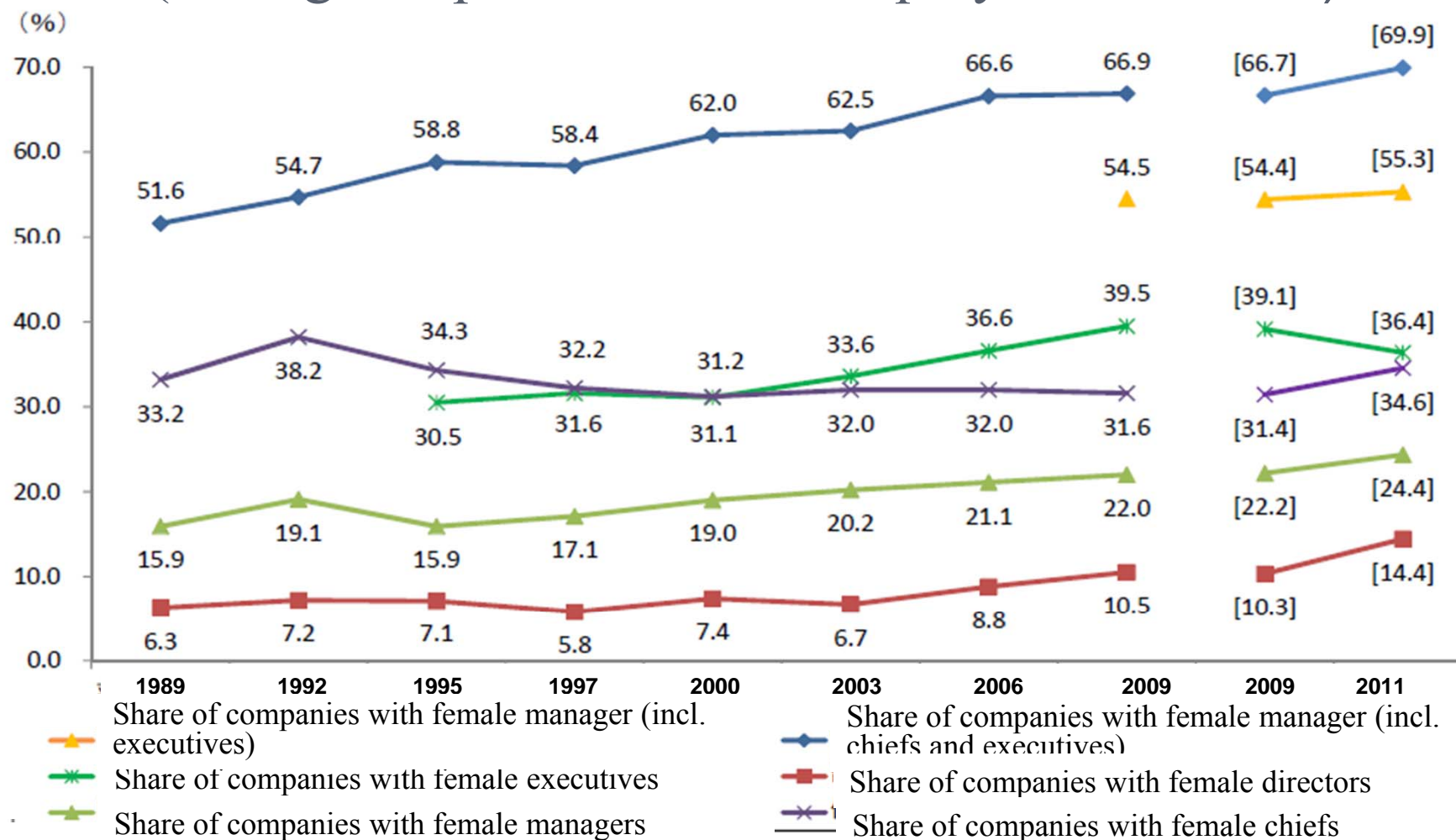
Source: Statistical Bureau Ministry of Internal Affairs "Labor Force Survey". The Japan Institute for Labor Policy & Training "Data Book of International Comparison of Labor Workforce 2012"

Changes in the ratio of female managers
(in companies with 100 employees or more)

(%)

	Year

Manager or higher   Director/Department Head   Manager/Section Chief   Chief (lowest managerial position)

Source: Ministry of Health, Labor and Welfare "Basic Survey on Wage Structure"

Changes in the share of companies with female managers (among companies with 30 employees or more)

(%)

Year	1989	1992	1995	1997	2000	2003	2006	2009	2009	2011

Share of companies with female manager (incl. chiefs and executives): 51.6, 54.7, 58.8, 58.4, 62.0, 62.5, 66.6, 66.9, [66.7], [69.9]

Share of companies with female manager (incl. executives): 54.5, [54.4], [55.3]

Share of companies with female chiefs: 33.2, 38.2, 34.3, 32.2, 31.2, 33.6, 32.0, 31.6, [31.4], [34.6]

Share of companies with female executives: 30.5, 31.6, 31.1, 32.0, 36.6, 39.5, [39.1], [36.4]

Share of companies with female managers: 15.9, 19.1, 15.9, 17.1, 19.0, 20.2, 21.1, 22.0, [22.2], [24.4]

Share of companies with female directors: 6.3, 7.2, 7.1, 5.8, 7.4, 6.7, 8.8, 10.5, [10.3], [14.4]

Legend:
- Share of companies with female manager (incl. executives)
- Share of companies with female manager (incl. chiefs and executives)
- Share of companies with female executives
- Share of companies with female directors
- Share of companies with female managers
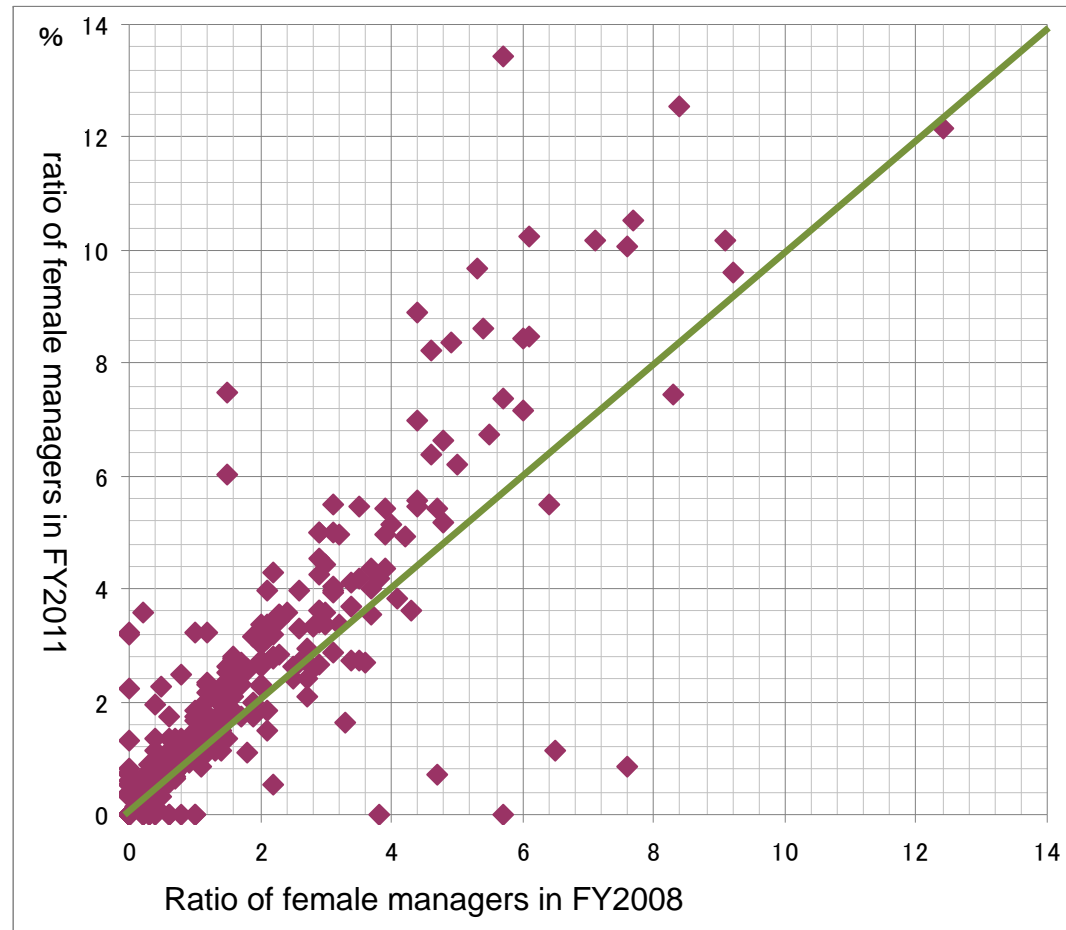- Share of companies with female chiefs

Note: The ratios in parentheses in FY2009 & 2011 are from all prefectures except for Iwate, Miyagi and Fukushima.
Source : Ministry of Health, Labor and Welfare *Basic Survey on Employment management for women*, *Basic Survey on Gender Equality in Employment.*

The ratio of female managers by enterprise size

(%)

25

20

19.4

15.9

15.3

15

13.5

10.0

10

8.4

8.8

8.1

7.4

6.7

6.7

7.2

5.8

5.0

5

3.5

5.1

0

Female chiefs

Female managers/ section chiefs

Female directors/ department heads

Female managers: all levels except for chiefs

Legend:
- 1000 employees or more
- 500 ～ 999 employees
- 100 ～ 499 employees
- Total for all sizes of enterprise(over 100 employees)
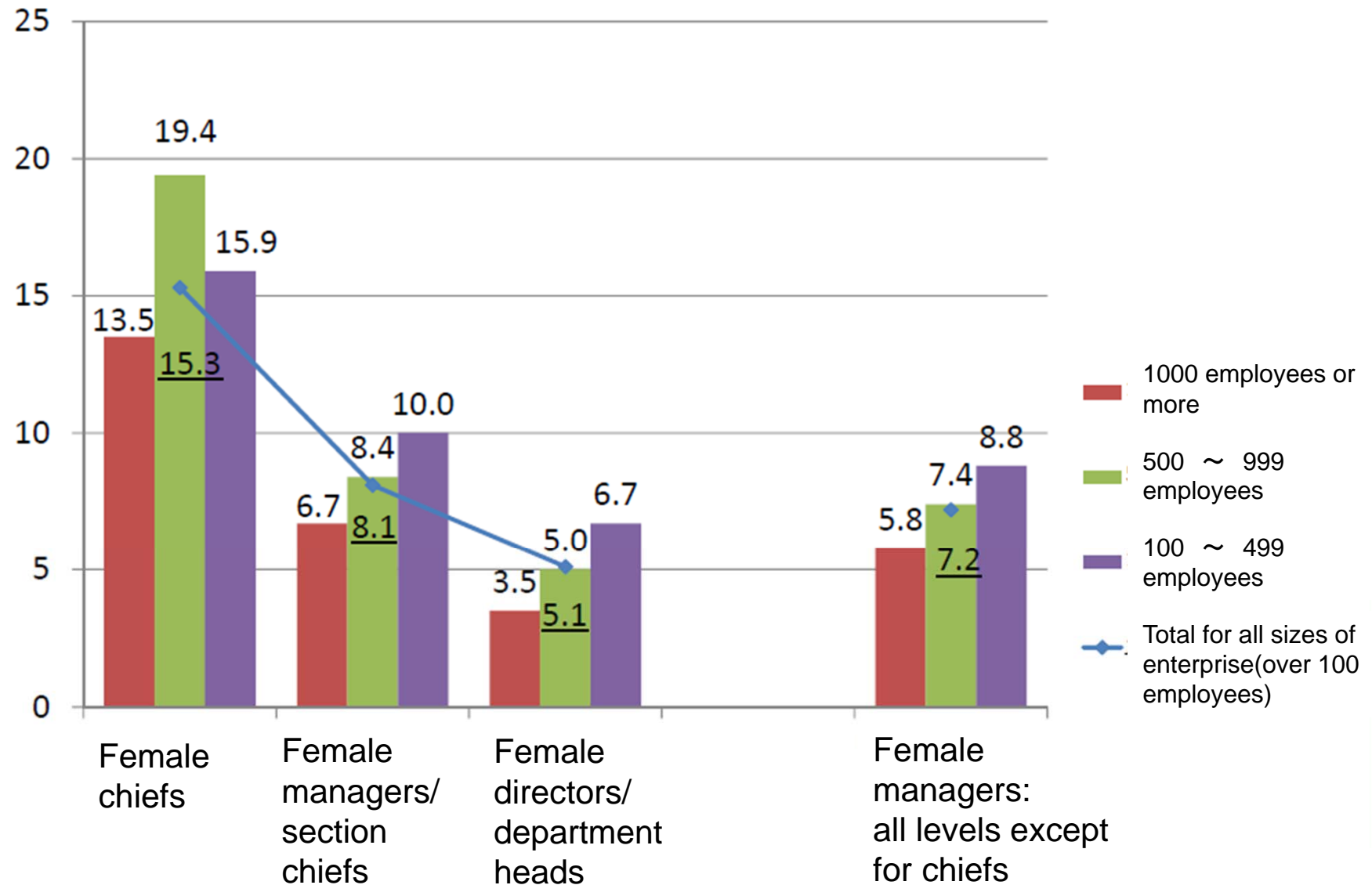
Change in the ratio of female managers

Here the ratio of female managers of the 399 companies which have data for both FY2008 and FY2011 are plotted. Data for 4 companies with ratios greater than 30% were excluded.

Source : Toyo Keizai Inc."CSR Overview"

Changes in the length of service of female employees

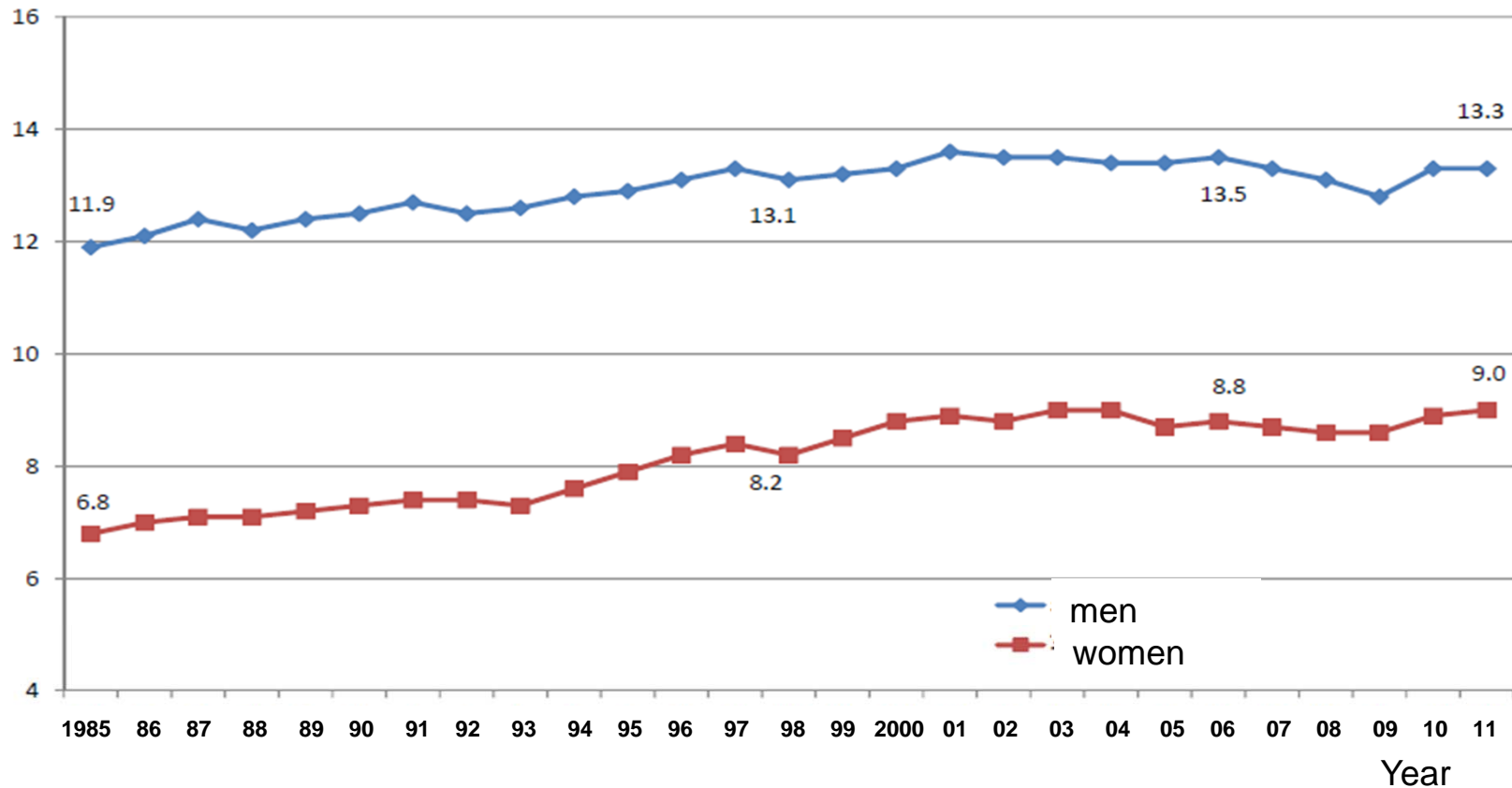# How Japanese think about the balance between work and family for married women
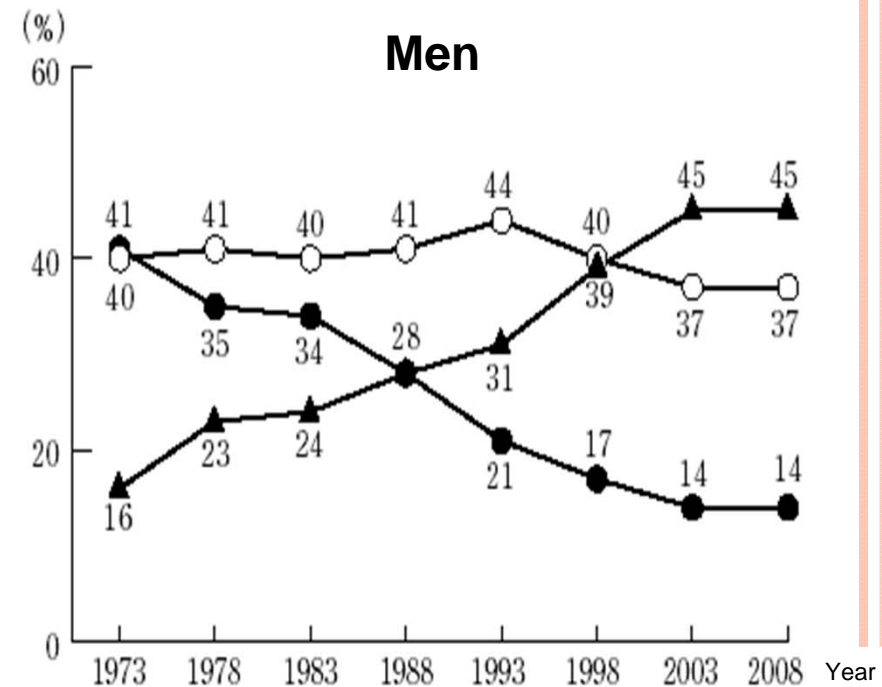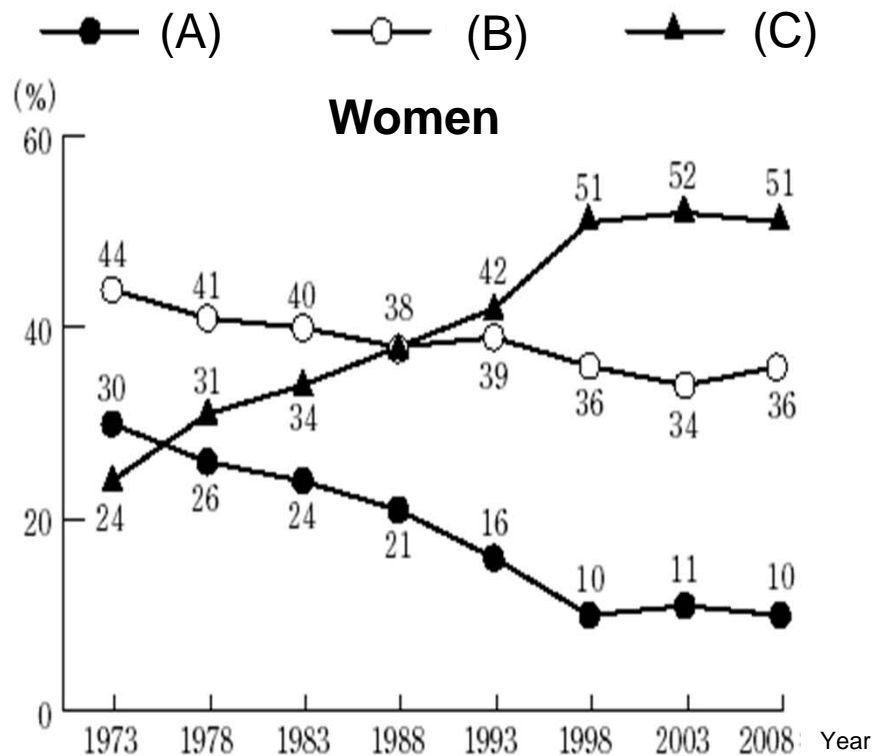
(A) Married women should devote themselves to **family.**
(B) Married women should **prioritize child care** over work.
(C) Married women should devote themselves **equally to work and family**.
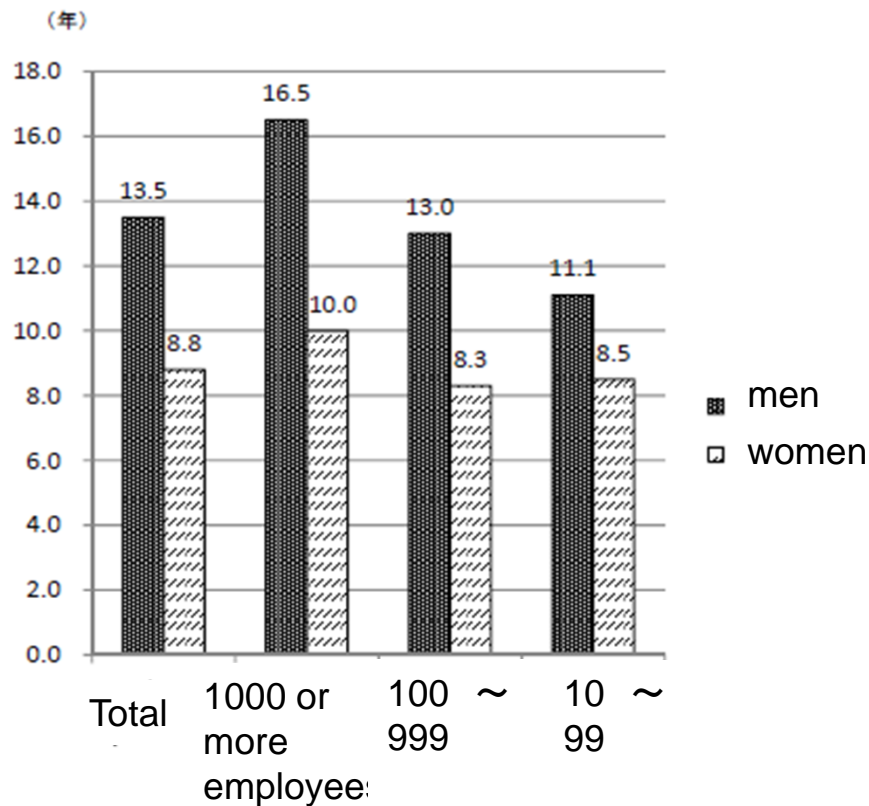
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Change in the length of service (ordinary workers）

Note: "Ordinary workers" are full-time regular workers (employed without fixed term)

Source: Ministry of Health, Labor and Welfare *Basic Survey on Wage Structure*.
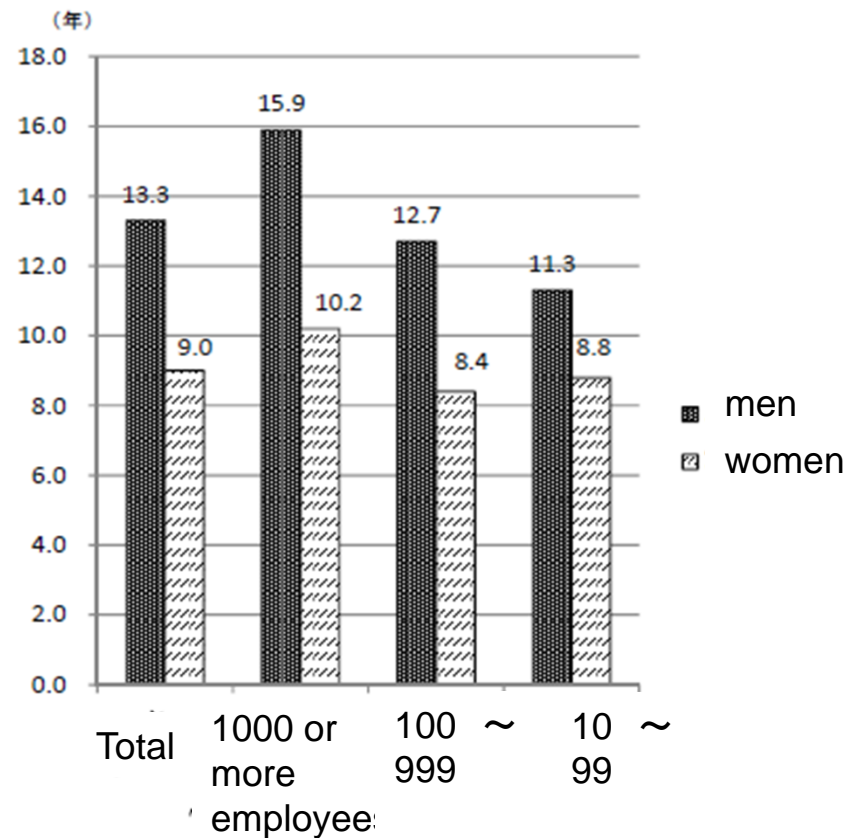
Change in the length of service among ordinary workers by enterprise size
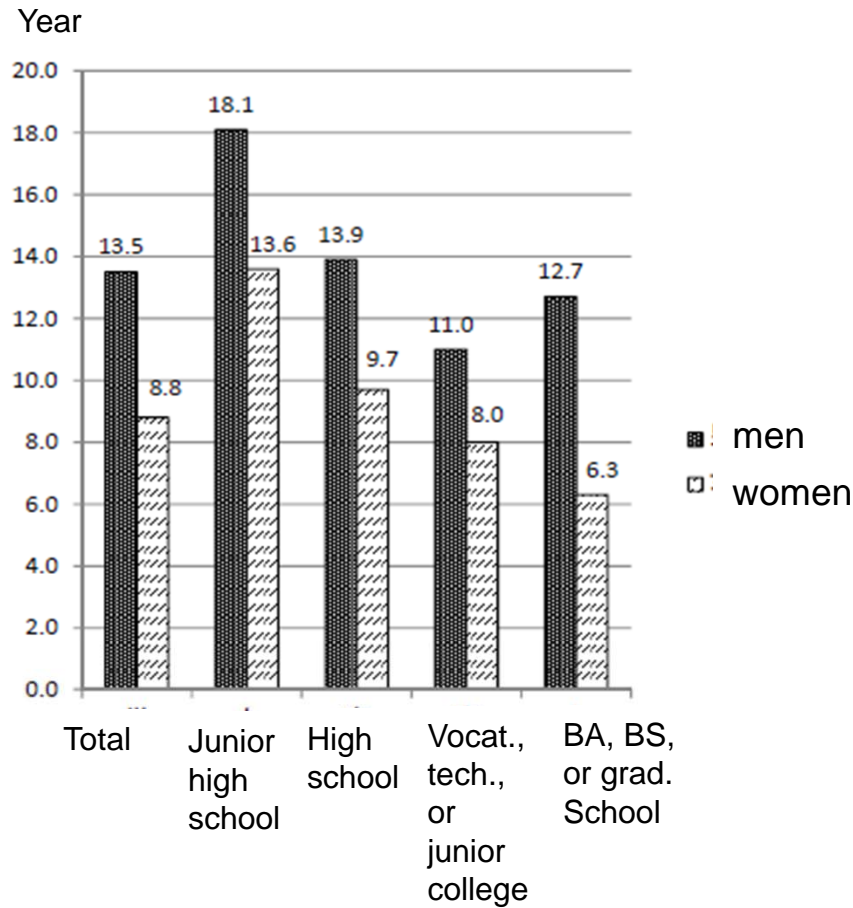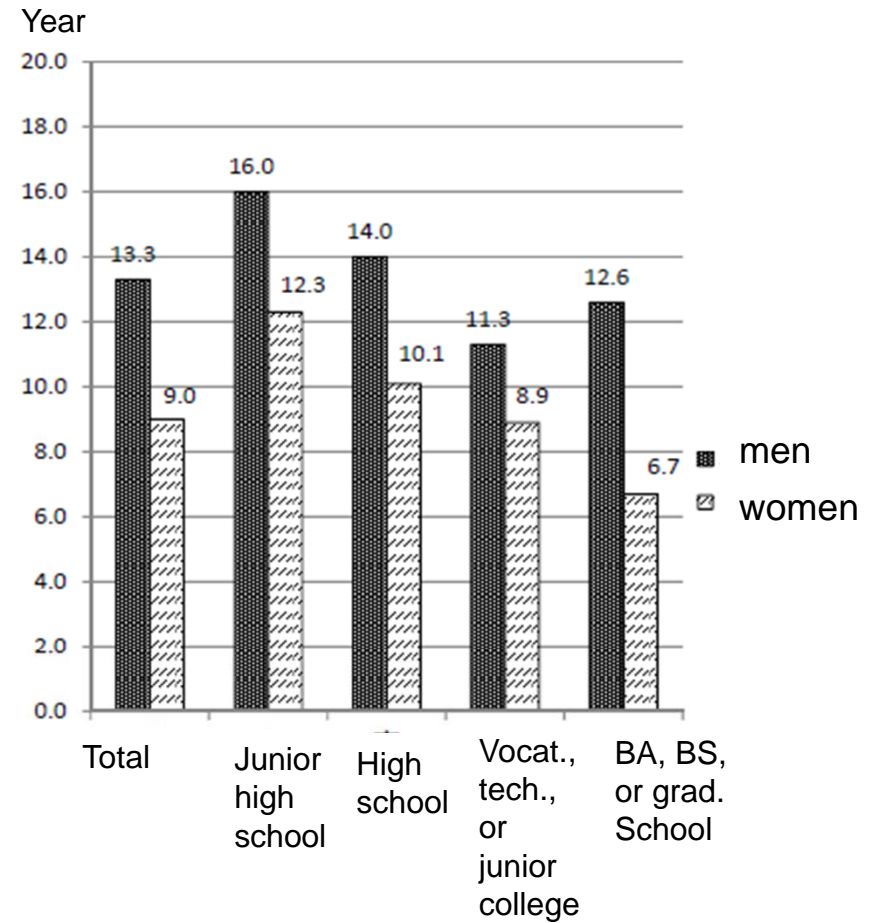
2006

2011

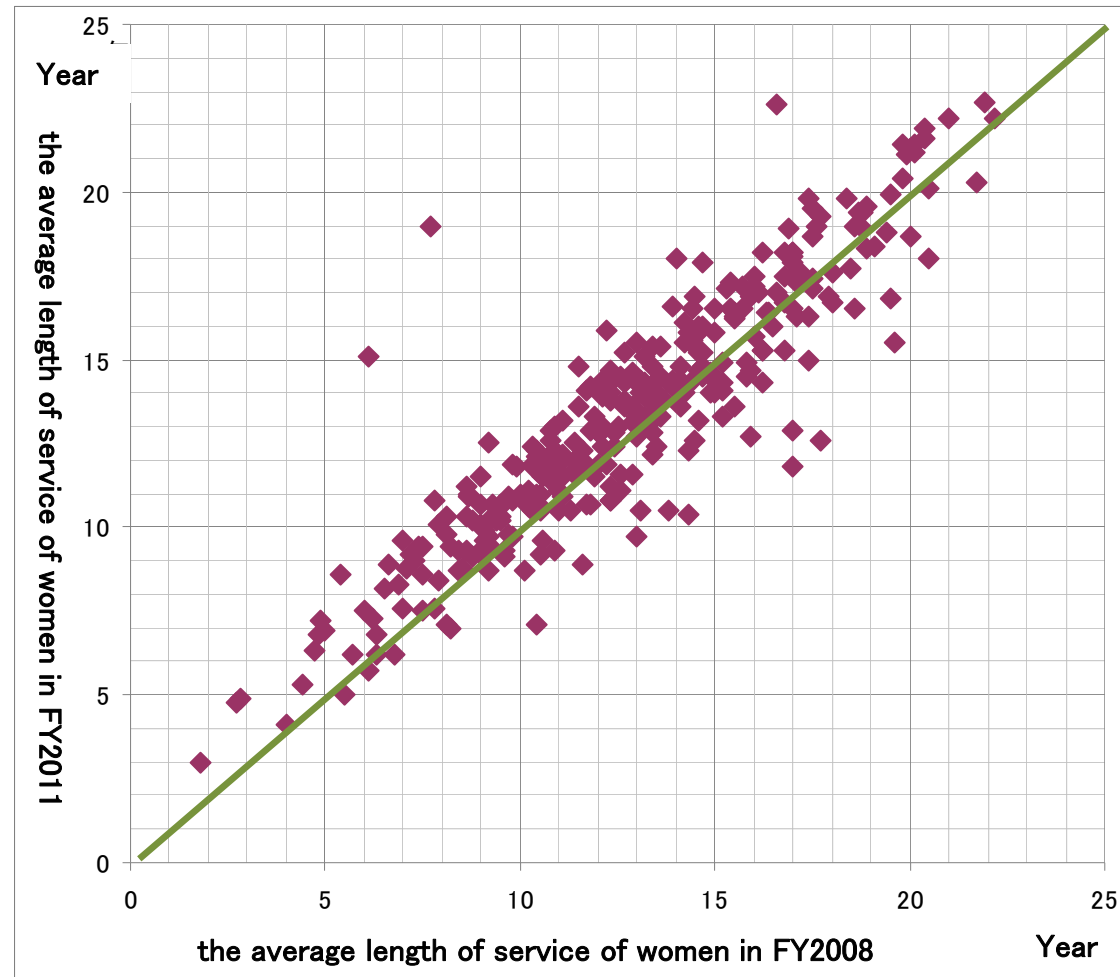# Change in the length of service among ordinary workers by education

Source: Ministry of Health, Labor and Welfare "Basic Survey on Wage Structure"

Change in the length of service of female employees in large companies

Here the values of the 327 companies with 1000 employees or more which have data on the average length of service of women in FY2008 and FY2011 are plotted.
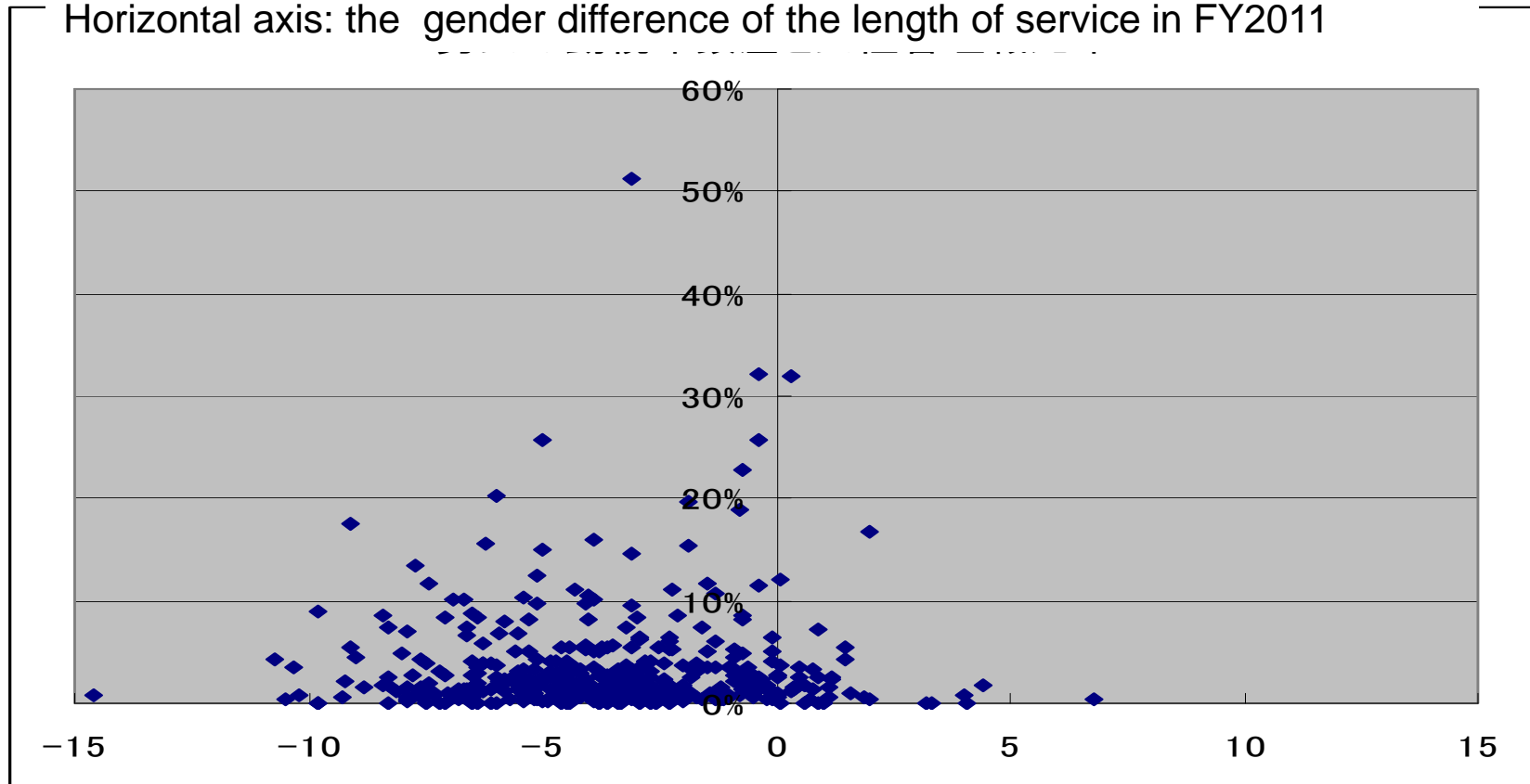
The relationship between the ratio of female managers and the gender difference in length of service

The ratio of female managers and the gender difference in length of service

Vertical axis: the ratio of female managers in FY2011
Horizontal axis: the gender difference of the length of service in FY2011

The values of companies which have data on both the average length of service by gender and the ratio of female managers in "CSR Overview" TOYO KEIZAI INC. are plotted.

How to expand work opportunities for women

Necessary conditions for increasing the number of female managers

- **Factors on the side of female employees**

    A) The will to develop and demonstrate their abilities

    B) The will to continue their careers

- **Factors on the side of companies**

    C) Giving women ample opportunities to develop and demonstrate their abilities ＝ EEO

    D) Giving support for women to continue their careers
    ＝ **Support for WLB**

  →**C) and D ）can strongly influence A ）and B ）**

⇒**Company action is essential.**

The reasons companies think there are few or no female managers (multiple responses)

At present, there are no women with enough knowledge, skills or judgment.
- 48.4
- 46.9
- 54.2

Women with managerial potential don't meet required conditions such as tenure.
- 27.6
- 27.9
- 22.2

Women quit before they are promoted to managers.
- 30.6
- 30.9
- 19.6

Because of job location transfers
- 2.8
- 2.1
- 2.7

Because of frequent overtime work and midnight shifts
- 8.4
- 7.8
- 6.0

Women cannot be assigned responsible jobs due to their household work
- 12.8
- 12.3
- 11.6

The work is too tough for women.
- 6.7
- 5.9
- 7.9

Women do not want to be managers.
- 14.0
- 17.5
- 17.3

Male bosses, co-workers, subordinates & clients don't want female managers.
- 2.3
- 2.2
- 1.4

Other reasons
- 20.5
- 19.9
- 23.5

Legend:
- FY2003
- FY2006
- FY2011

x-axis: 0.0, 10.0, 20.0, 30.0, 40.0, 50.0, 60.0 (%)
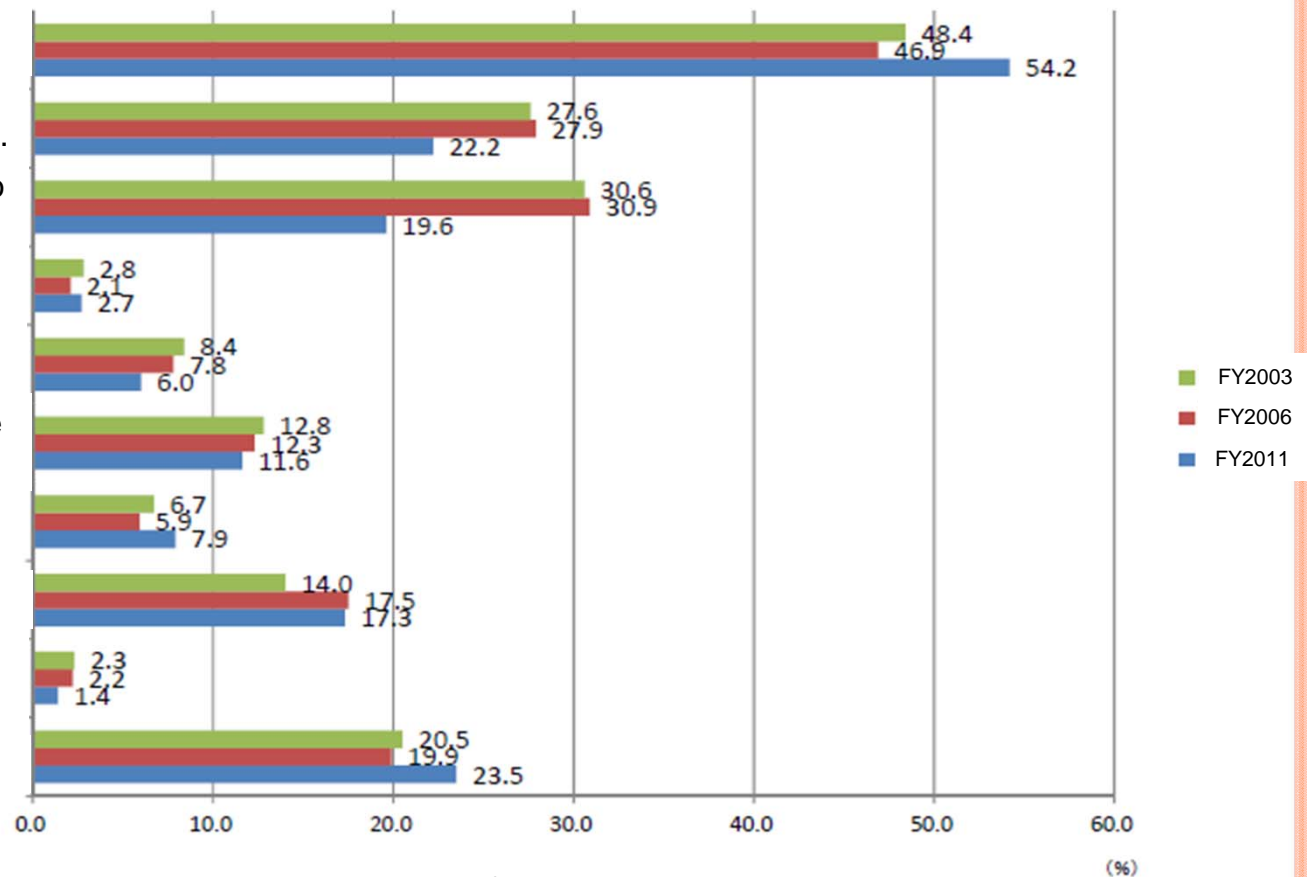
1) In FY2011, the values for Iwate, Miyagi and Fukushima prefectures were excluded.
2) The values of companies with 30 regular employees or more are included.

Source : Ministry of Health, Labor and Welfare *Basic Survey on Employment management for women, Basic Survey on Gender Equality in Employment.*

Factors discouraging women from becoming managers

- When we analyze the reasons that the ratio of female employees decreases by position and required qualifications,

- we can extract two main factors:

  1) Factors hindering women from balancing their career with family

  = lead to women giving up their careers

  2) Factors preventing equal employment opportunities

  = hamper skill development for women

→**These factors may interact each other.**

Example: using WLB policies can impede realization of equal employment opportunities. Women who use reduced work hours for parenting may end up using the benefit over an extended period.

What companies should do to increase work opportunities for women.

Factors which hinder expanding work opportunities for women ①

In large companies:

Gender equality:

Gender discrimination in the personnel management system has been resolved and equality in treatment has been achieved

Support for WLB:

Systems of support for WLB are sufficient and surpass those determined by law.

Factors which hinder expanding work opportunities for women ②

○ Issues in operation

Equal employment opportunity

Screening in the recruiting process

First job assignment of new employees

Opportunities to develop abilities in the early stages of career

Opportunities to develop abilities mid-career

Support for WLB

Improving job management and the working practices considering time constraints

In the recruiting process

- Considering applicants'majors in university,

- companies must examine whether the ratio of men to women is disproportionate, and if there is gender bias, analyze the factors causing it at each step in the recruiting process: application, first screening, second screening, and job offer.

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First job assignment and early stages of the career

Is there a gender bias in the first assignments given to new employees?

If so, what factors cause it?

→How does the company determine the first assignments of new employees?

Can equal opportunity to develop capabilities be realized through controlling the first assignment?

Equality of opportunity to develop ability depends on how a boss manages his/her subordinates.

→The boss of the first assignment plays a main role for both male and female new employees.

→Do companies consider managers' ability to develop the careers of their subordinates when making first assignments?

The importance of opportunities to develop one's abilities at the early stages in the career

Such opportunities are important for both male and female employees.

→Because it can influence motivation and efficacy for working.

Especially for female employees, such opportunity can have an effect on their will to continue their careers in addition to increasing their motivation to work.

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Difficulties equalizing ability-developing opportunities

Equalization depends on how bosses manage their subordinates.

Ability development in itself is difficult.

→Bosses'expectations of their subordinates influence whether opportunities to develop ability increase or decrease.

→Bosses'expectations can form the basis of ability development ability. Differences in expectation lead to differences in job assignments and differences in the amount of support for developing one's ability.

At the same time, bosses'expectations from the boss influence motivation for subordinates to improve their abilities:

"Pygmalion effect" or "Self-fulfiling prophecy"

Example: when bosses assign male subordinates jobs they take into consideration their mid-career development, and expects them to improve their ability.

Opportunities to build one's career in the middle stages

○ <u>Is there a gender difference in the kind of job or assignment engaged in before achieving a pre-managerial position? If so, what factor(s) cause it?</u>

→e.g. jobs where women can easily get WLB support, jobs suitable for women, bosses who accept women, women's preference, etc.

→Does the personnel department consider such questions?

○ <u>Who is charge of managing the employee's career development in the middle stages?</u>

In the manufacturing industry the right of job assignment is often given to each division or functional section (accounting and purchasing, etc). In this situation, the personnel department only consents after the fact.

→How does the personnel department intervene in job assignment ?

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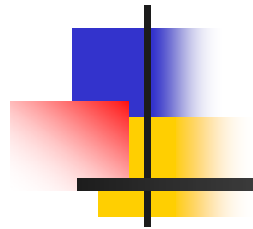
Support for WLB

Support for WLB is composed of three parts.

【The second floor】
Introduce the WLB support system and create an office environment favorable to using the system.

【 The first floor 】

Implement job management and reform the working patterns with an understanding of employees'time constraints

➡ **Recognize that employees are under increasing time constraints.**

➡ **WLB cannot be achieved when many employees regularly work long hours.**

【The ground floor】

Create an office environment where various values and lifestyles are accepted.

➡ **The goal is a "lifestyle-friendly office."**

■Data Sources
- "CSR Overview 2010," "CSR Overview 2013"
  TOYO KEIZAI INC.
  The values in the "CSR Overview 2010" come from FY2008, and the values in the "CSR Overview 2013" are from FY2011.
- Our comparisons between 2008 and 2011 values only used data from companies with over 1000 employees in FY2008.

■Definition
Our usage of the word "manager" refers to "employees in positions having subordinates and higher, or in equivalent positions without subordinates." This includes the rank of director or higher, but excludes executives. However, the definition of "manager" can differ among individual companies, so what a "manager" does is defined by each company.