

Work-Life Balance Will Change Japanese Society -Current Situation and Outlook of Japan's Work-Life Balance -

Ms. Yoshie Komuro President of Work-Life Balance Co., Ltd. August 27, 2015

Provisional translation by FPCJ (Foreign Press Center of Japan)

Personal history



40 years old; married 13 years

Joined Shiseido Co., Ltd., assigned to Nara Branch 1999

Won 1st prize in Business Model Competition 2000

Won the Nikkei Woman of the Year 2004 Award 2004

2005 Resigned Shiseido

2006 Started Work-Life Balance Co., Ltd.; gave birth to first baby boy

2007 Appointed a member of Work-Life Balance Investigation Board, Gender Equality Bureau, Cabinet Office

Developed Work-Life Balance Organizational Diagnosis 2008

Began Work-Life Balance Consultant Training Program 2009

2011 Launched the website Guide to Juggle Nursing Care and Work; Obtained a National Vocational Qualification of Nursing Care Worker (Second Grade)

Launched Morning Mail.com; made a presentation at a public 2012 hearing in the Diet; gave birth to second baby boy

2013 Developed Yoshie Komuro's WLB Academy to practice the morning and evening mail system; chosen as one of 60 members for the government's Group Meeting on Economy Trend; began to appear regularly on NHK's News Web

2014 Regular member of METI's Industrial Structure Council Received Best Mother Award (Economy section) Member of Prime Minister Abe 's Industrial Competitiveness Council Member of Central Council for Education of the Ministry of Education, Culture, Sports, Science and Technology





Presentation at House of Representatives Cabinet Committee public hearing (November 13, 2014)

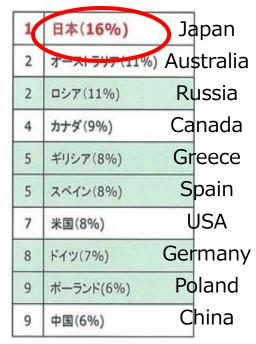
Work

Tired from continuous overtime work

Family life and private life

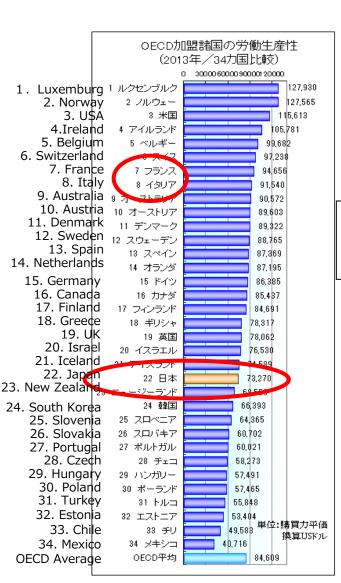
Have little time to play with children, spend time with a partner, play sports, or for self-study, etc.

Work-life balance dissatisfaction ratio



Source: 2006 world conscious survey of 14,000 people in 24 countries on work-life balance, conducted by IRIS (International Research Institutes)

Japan's work-life balance satisfaction level is low, worst among 24 countries → 'all-work-no-play' society



Japan's labor productivity: 22nd among 34 OECD member countries (2013 comparison)

Labor productivity: added value price (profit) per person,

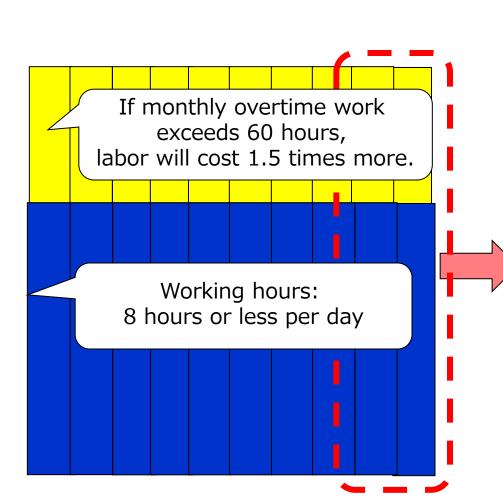
quantity of output per unit labor power (*)

*Unit labor power: labor power per personnel or per hour

→ Japan has long working hours, but produces low added value.

Japan has some of the world's longest working hours but low level of productivity → negative spiral

Source: 2014 Labor Productivity International Comparison (Japan Productivity Center)



Personnel downsizing to

lower fixed expenses

As monthly overtime work Exceeds 60 hours, additional labor costs 1.5 times more.

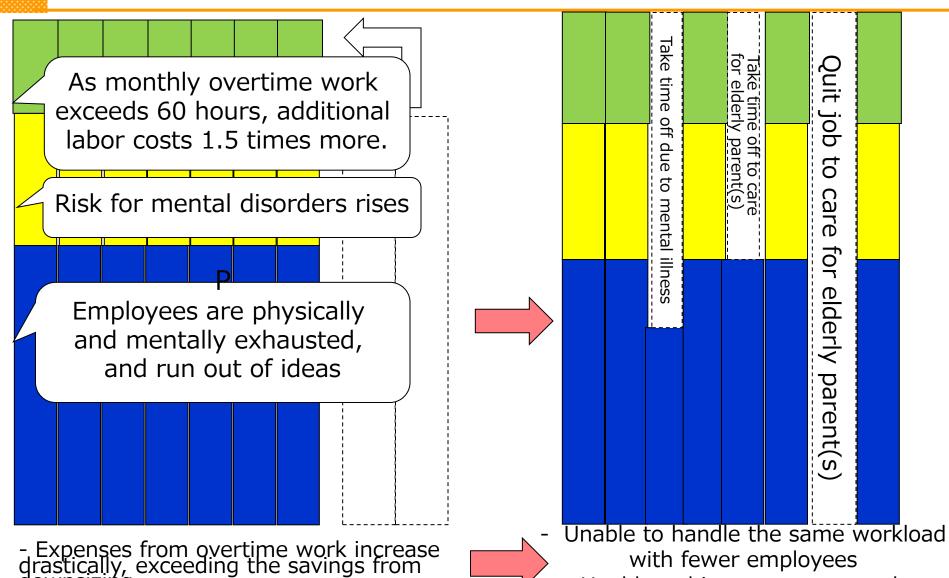
Risk for mental disorders rises

Employees are physically and mentally exhausted, and run out of ideas

- Expenses from overtime work increase drastically, exceeding the savings from downsizing - Expenses due to/risk of mental disorders rise
- Personnel leaves in order of competence, from most competent to least
- Loses training costs from the departure of female employees raising children
- Lower motivation for all employees, Ltd. All Rights Reserved.

Situation has started worsening further





Expenses due to/risk of mental disorders rise Personnel leaves in order of competence, from most competent to least Lower motivation for all employees

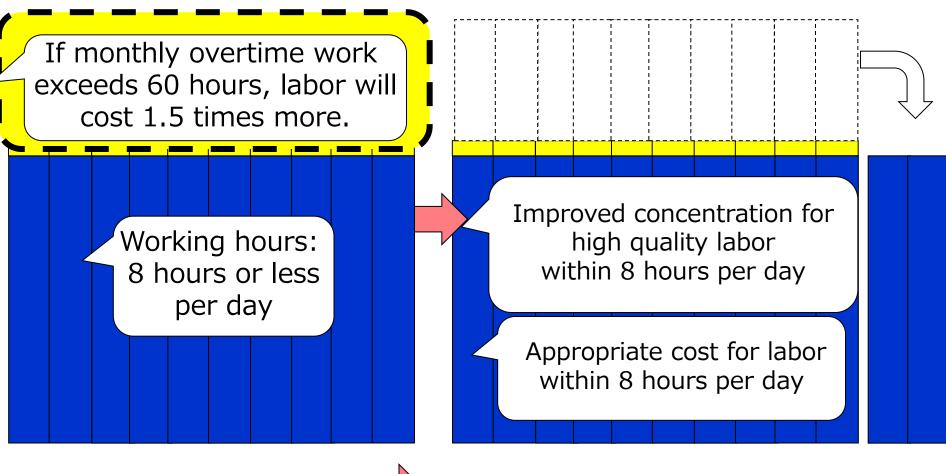
Unable to hire competent workers due to poor working environment

Unable to continue operations

(C)Copyright 2015 Work Life Balance Co., Ltd. All Rights Reserved.

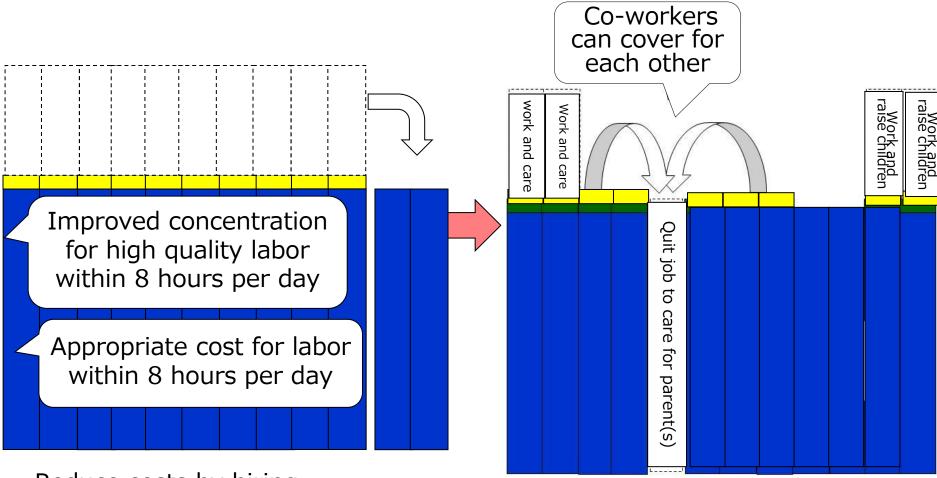
Radically changed management strategy





-Reducing working hours per person of high-cost manpower

- -Reduce costs by hiring younger employees
- -Prevent overtime work by proactively hiring employees with time constraints



- Reduce costs by hiring younger employees
- Prevent overtime work by proactively hiring employees with time constraints

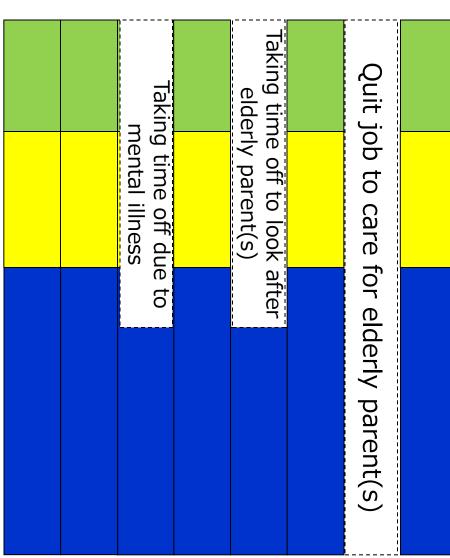


- -Employees do not quit jobs due to raising children or caring for parents, as they are able to continue both.
- -With more employees, they are able to cover each other.

Impact on finances

株式会社ワーク・ライフバランス

(if current working style continues)



Can't care for aged family members due to OT.

Make more 24-hour care facilities!

(intending to leave the elderly at a nursing home at early stages even though they don't need it)

Can't get my child from daycare on time due to OT.

Want more daycares that can take care of children until late at night!

(Lose even more money due to high costs of staff working night shifts)

Can't join PTA or community activities. Someone else keep the area clean and safe!

Can't spend time with my kids. Can't staff at daycare services train them properly on my behalf?

of depressed workers increases due to OT. More aid is needed for re-employment assistance.

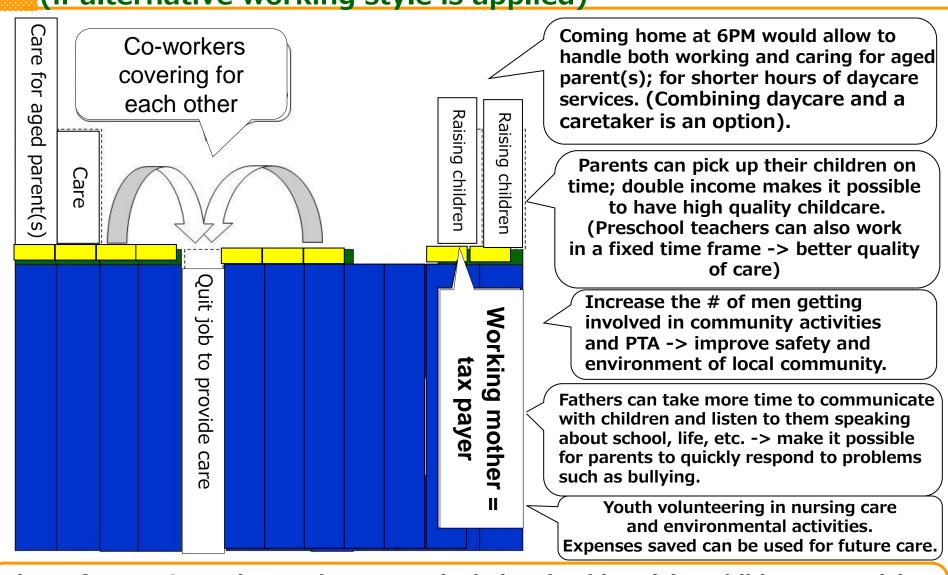
The amount of pension for women is generally less than that of men as more women stay home to raise children. Want government to increase financial aid!

We'd rather avoid hiring new employees as we face financial difficulties.

If the government insists, they should raise the amount of subsidies!

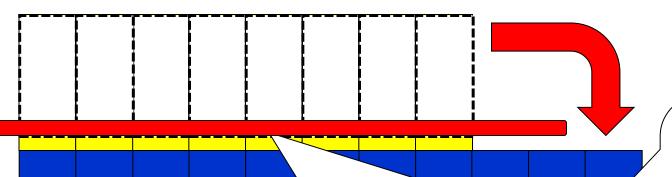
As demands on welfare and aid escalate, more pressure on finances!

Impact on finances (if alternative working style is applied)



Time after work can be used to get actively involved in raising children, exercising for health, caring for elderly parent(s), and improving the community → A society in which individuals can handle their problems by themselves

Creating a system to support people



1: Creating a system in which companies asking staff to work long hours would not benefit.

E.g.: Raise the overtime premium rate

(Japan: Rate of OT during weekday is 125%.

USA: Rate of OT during weekday is 170%, 200% for weekend)

E.g.: According to International Accounting

Standards, if workers have leftover paid vacation,

that would be considered as debt.

2: Make an environment where youth and mothers can actively work.

- Eliminate childcare waiting lists!
- Create more childcare centers!

The government of Japan has ignored labor issues for a long time, claiming that they should be dealt with by individual companies, and believing that the economy would grow more without intervention. However, the Revising Japan Revitalization Strategy released on June 30, 2015 stated that "the correction of prolonged working hours will bring a significant impact on economic growth" (page 12 for the English translated version), and made it clear that the government has shifted its direction to handle labor issues not only from a welfare perspective but also as part of Japan's growth strategy.