

Survey on Company Support in Raising Next-Generation Children

Summary of Research Results and Propositions

I. Research Objective

This survey clarifies the current state of action plans formulated by companies according to the Act on Advancement of Measures to Support Raising Next-Generation Children (hereinafter referred to as the “Next-Generation Act”) enforced in 2005. It further explores the effects of such action plans and the remaining challenges in improving a company’s balance of work and childcare support and employee work styles. To create an environment where children of the next-generation society are born and raised well, it is crucial to improve the work environment for this current generation to enable a balance between employee work and lifestyle (i.e. work-life balance (hereinafter referred to as “WLB”). It is therefore necessary to investigate the effects of initiatives that support the balance of work and childcare of accredited companies and those that have established action plans, in addition to identifying factors that promote and hinder the balance of work and childcare support in companies. It is also crucial to identify and organize case studies of companies that make WLB possible not only through an analysis of WLB measures, but through a comparison between workplaces where WLB is achievable and those that are not.

Through a questionnaire, this survey identifies the current state of company’s initiatives in creating a balance of work and childcare support through the formulation of an action plan and its effects on changes in employee work styles. It also compares these effects on a company’s balance of work and childcare support based on the contents of established action plans by accredited companies and unaccredited companies. Moreover, it will clarify the differences in its effects on work styles to enable the realization of WLB. Furthermore, in order to identify key factors in the further promotion of a company’s balance of work and childcare support, this survey will investigate and capture the changes of other human resource management systems such as measures promoting male and female equality which are simultaneously revised and expanded upon as WLB measures, and the support and utilization of non-regular employees.

Note: The Survey on Company Support in Raising Next-Generation Children was conducted by Hiroki Sato (Professor, the University of Tokyo Institute of Social Science) and Yukiko Asai (Research Fellow, the University of Tokyo Institute of Social Science), who planned this survey, and prepared the questionnaire and outline of research results on consignment from the Foundation for Children's Future (an affiliate organization of the Ministry of Health and Welfare, <http://www.kodomomiraizaidan.or.jp/english/>).

II. Survey Sample and Method

Questionnaires were sent to human resource managers of privately held companies. 4,305 companies were sampled through combing the list of companies from Tokyo Shoko Research and those accredited under the Next-Generation Act. 464 companies responded to the questionnaires. Among collected questionnaires, one company was deemed to be invalid and four other questionnaires arrived after data aggregation and as such excluded from these research results. The number of valid responses is 459 companies. The response rate was 10.8% and rate of valid responses is 10.7%

III. Survey Period

28 September to 15 October 2010

IV. Survey Items

- (1) Company Profile: Industry, number of full-time regular workers, percentage of female employees etc.
- (2) Action plans created according to the Next-Generation Act: Number of times of formulation, items included in the action plan, numerical targets, its overall perspectives, method of its publicity and its effectiveness.
- (3) Measures promoting the Next-Generation Act: Details of these measures, utilization of childcare leave, and utilization of childcare leave by male employees.
- (4) Human resource management policies: Awareness of human resource management policies, recruitment policies and promotion of participation by female employees.

V. Survey Background

Based on the New-Generation Act enacted in 2005, companies are required to establish an action plan (accreditation of an action plan requires a planning period of between two to five years). As of June 2008, 29,993 companies filed an action plan. Of these, 12,347 are companies with 301 or more regular employees that are required by law to formulate such action plans. 92.5% of companies (13,341 companies) subjected to this law have formulated and filed their plans. The remaining 12,646 companies are firms with less than 300 employees that are only currently required to make an effort in formulating an action plan. This shows that even small and medium sized enterprises are actively reviewing their company's balance of work and childcare support and work styles of its employees.

However, of companies that have filed their plans, 545 (of which, 47 companies have fewer than 300 employees) are accredited. The rate of accreditation (545/29,993) is currently low at 1.8% (companies with more than 301 employees: 4%, companies with fewer than 300 employees: 0.4%), indicating that there are a significant number of firms that have difficulty in acquiring accreditation even though an action plan has been filed. This raises the following issues that need to be clarified. Why do companies not apply for accreditation despite having formulated an action plan? Are the standards to get accredited too high? Is there a problem with the implementation of formulated action plans? Are there constant positive effects on corporate and human resource management through the formulation of an action plan whether it has or has not received accreditation?

Action plans need to incorporate items that contribute to the (1) improvement of work-life balance measures for employees who are raising children, (2) improvement of a company's work environment through the revision of employee work styles including employees without children, (3) support of community initiatives that improve the balance of work and childcare, stable employment and an independent lifestyle for young people, in addition to providing support to the community to improve the environment in which the next generation can be nurtured. (1) and (2) improve employee work styles through achieving certain conditions that assist in company accreditation and execution of initiatives are expected to result in an improvement in employee retention (reduced turnover), recruitment of talented human resource, company loyalty, employee job satisfaction and motivation, reduced costs, and an improvement of the company image. However, these effects has not been sufficiently verified and research is limited to the Japan Institute of Labour Policy and Training

survey titled “Survey on Balancing Work with Family” conducted in 2007 that studies the availability of measures that promote the use of childcare leave by male employees according to a company’s desire to apply to get “accredited”.

Furthermore, although companies that have more than 301 employees are obligated to formulate an action plan every two to five years, what kind of issues remain after the creation of the first action plan and how is that reflected in subsequent action plans has yet to be verified.

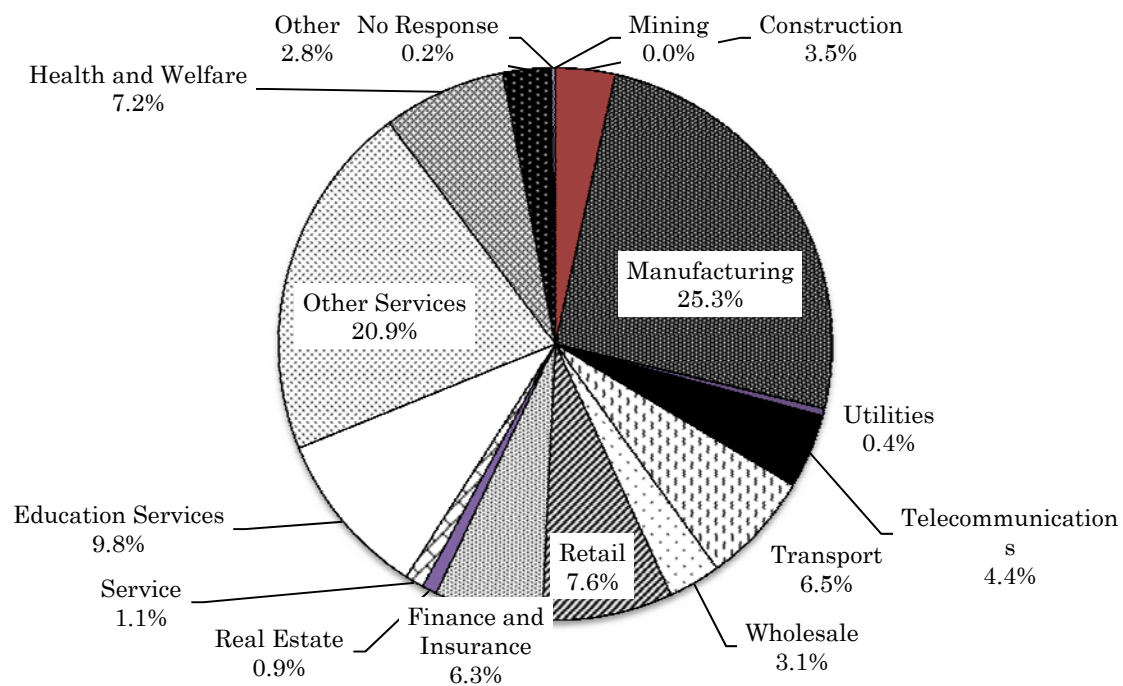
Being aware of these issues, this survey will focus on the following points in evaluating action plans.

- (1) What kind of effects does the formulation of an action plan and its contents have on the revision of a company’s balance of work and childcare support and employee work styles?
- (2) What are the reasons for companies that are not accredited for not applying (or not being unable to apply) for accreditation? Also, is there a difference in the measures and systems of accredited companies and unaccredited companies in the process of implementing an action plan?
- (3) Based on the first action plan, is there a change in the contents of subsequent action plans? (Does a company’s balance of work and childcare support and revision of work styles evolve?)
- (4) Along with the expansion and revision of these systems that support a balance of work and childcare and different work styles, how does the human resource management system (assessment, career, equality measures for male and female employees and the utilization and support of non-regular employees etc.) change (or not change)?
- (5) What work style reforms contribute to the realization of WLB?

Profile of Company Respondents

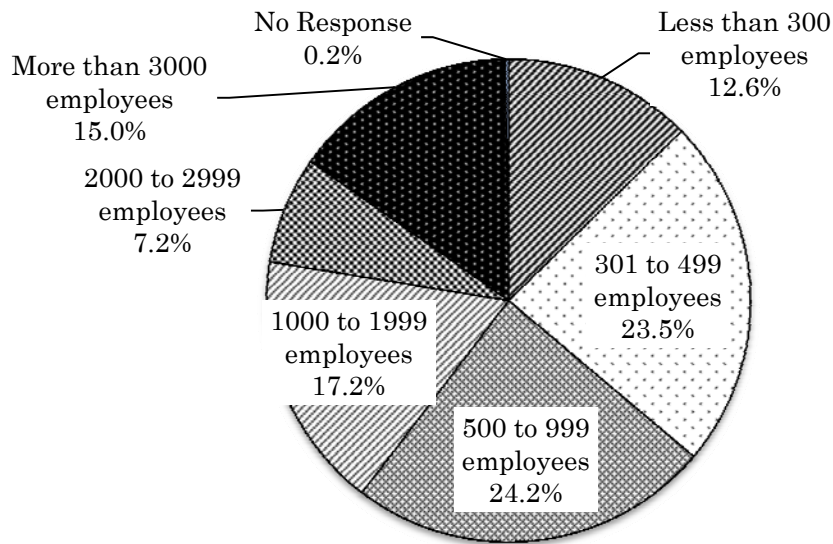
25.3% of company respondents are of the 'Manufacturing' industry, 20.9% from 'Other Services' while 'Education Services' and 'Health and Welfare' each make up approximately 10% of all respondents.

Industry (n=459)



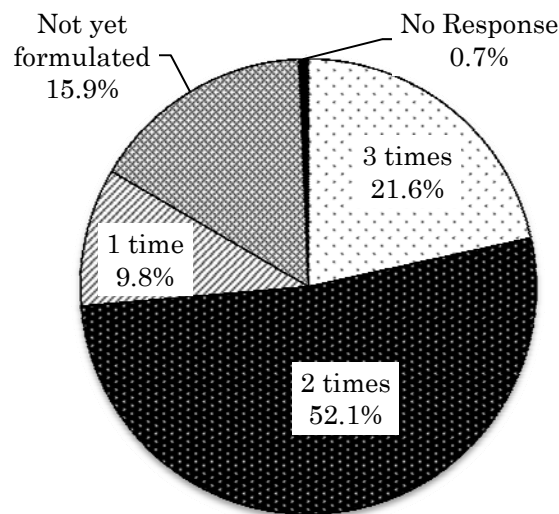
24.2% of companies employ '500 to 999' regular employees, 23.5% with '301 to 499 employees' and 17.2% with '1000 to 1999 employees.' Most companies are firms with more than 301 regular employees and are obligated to formulate an action plan.

Number of Regular Employees (n=459)



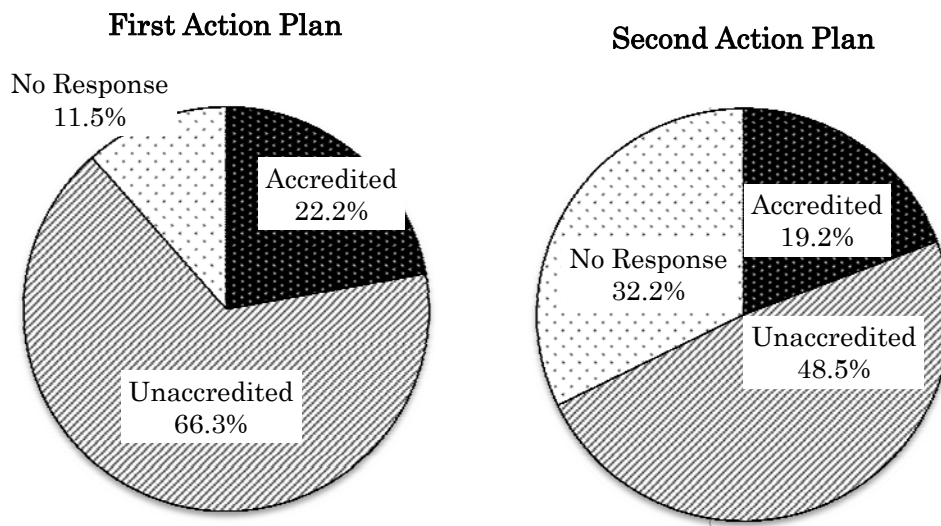
With regards to the formulation of an action plan, 83.4% of sampled companies have formulated an action plan one time and 15.9% have yet to create an action plan. Of those companies with an action plan, 52.1% of companies formulated an action plan '2 times', 21.6% established one '3 times' and 9.8% of companies '1 time'.

Number of Times of Action Plan Formulation (n=459)



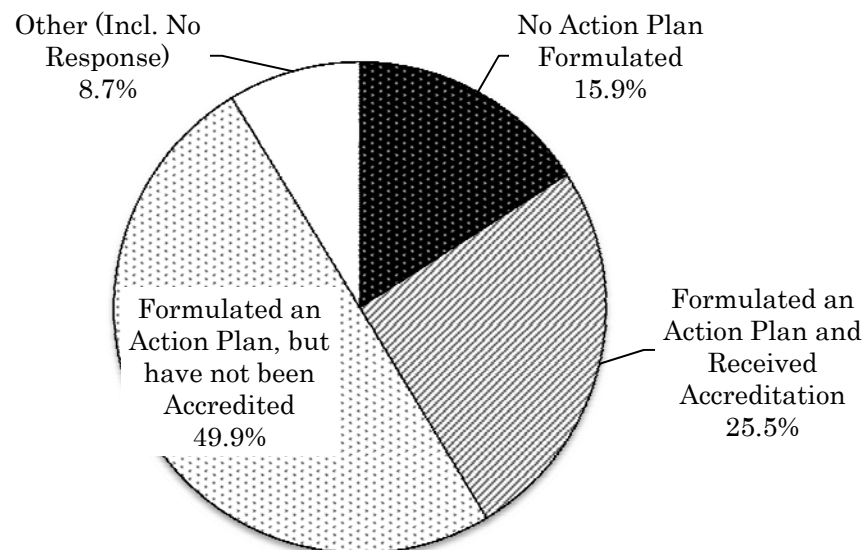
Of companies that are “Unaccredited”, 66.3% are composed of companies with their “First Action Plan” and 48.5% with their “Second Action Plan”. Companies that have started the application process are included in the “No Response” category.

Accreditation of Action Plans (n=459)



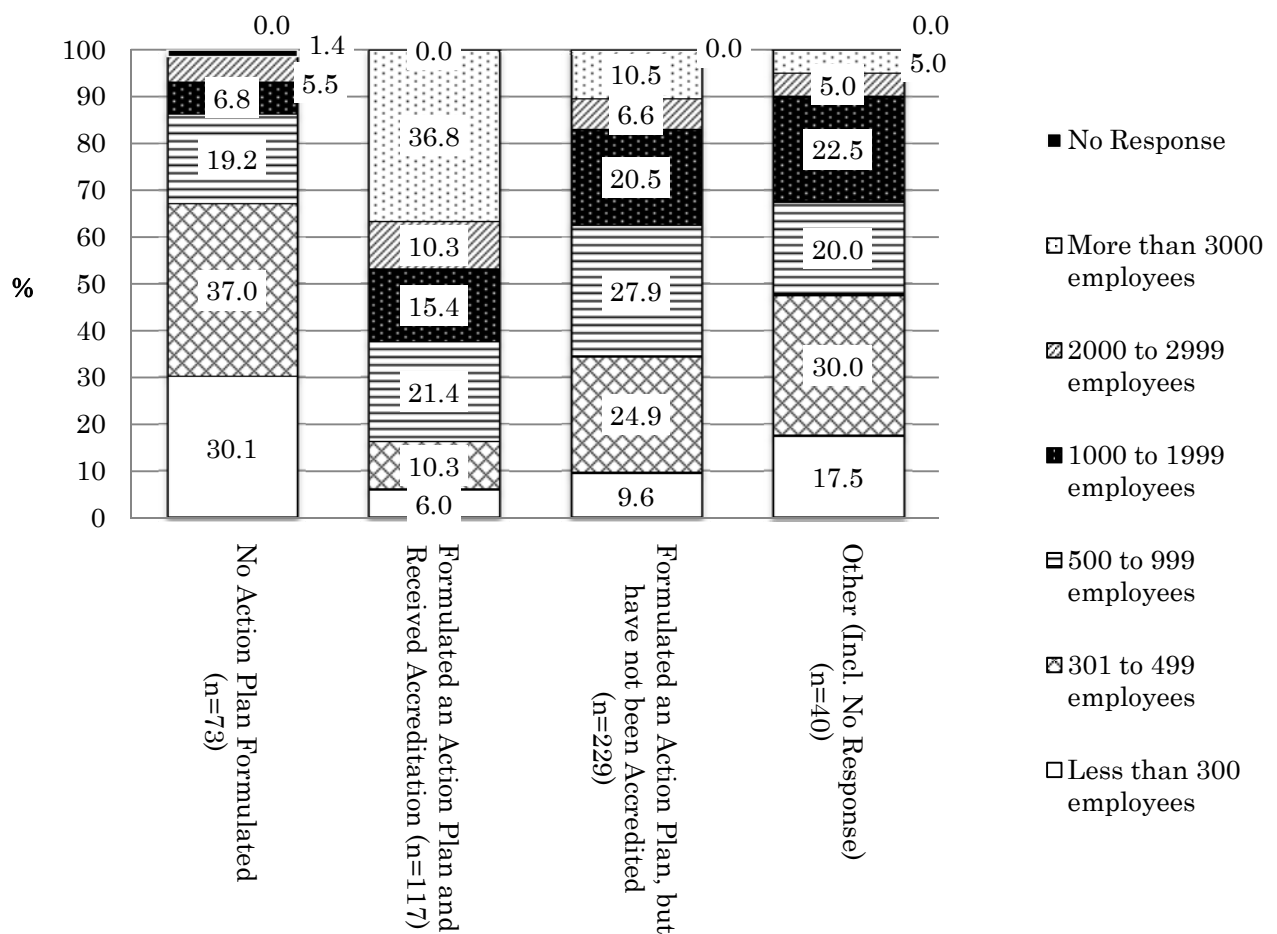
In identifying whether a company has been accredited even one time, we identify 49.9% of companies that have “formulated an action plan, but have not been accredited (not even once)” and 25.5% that have “formulated an action plan and received accreditation (even once)”. Companies that have “no action plan formulated” are limited to 15.9%.

Formulation and Accreditation of Action Plans (n=459)



When exploring the relationship between the number of regular employees and an action plan, 56.2% of companies have 301 to 999 employees and 30.1% with less than 300 employees is found to have “no action plan formulated”. Additionally, 36.8% of firms that “formulated an action plan and received accreditation” are companies with more than 3,000 employees and 31.6% have 301 to 999 employees. Of those that “formulated an action plan, but have not been accredited”, 52.8% have 301 to 999 employees and 27.1% have 1,000 to 2,999 employees.

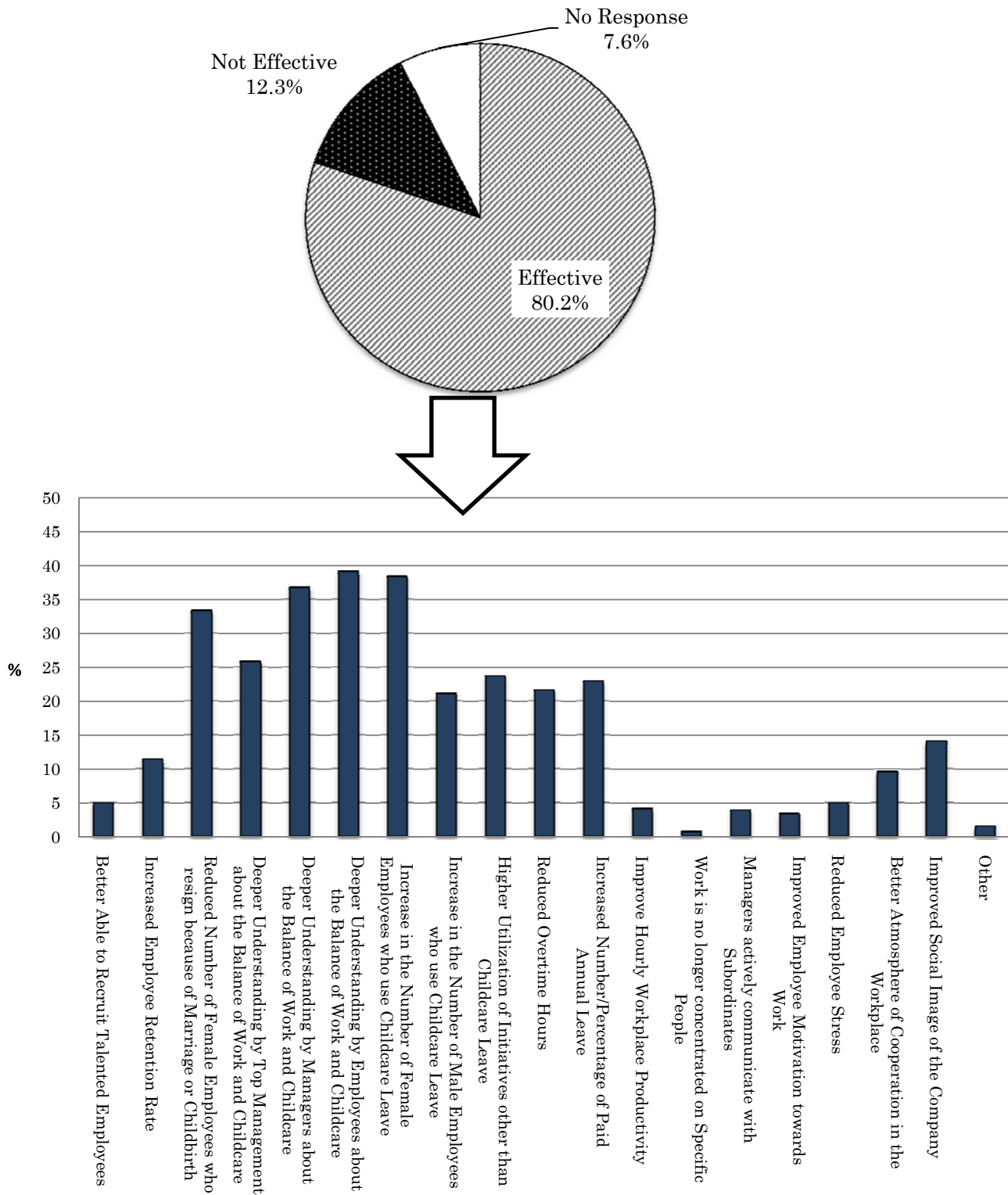
Number of Regular Employees, Formulation and Accreditation of Action Plans (n=459)



Propositions for the Formulation of an Action Plan

Proposition 1 The formulation of an action plan has various effects that lead to the realization of a better balance between work and childcare.

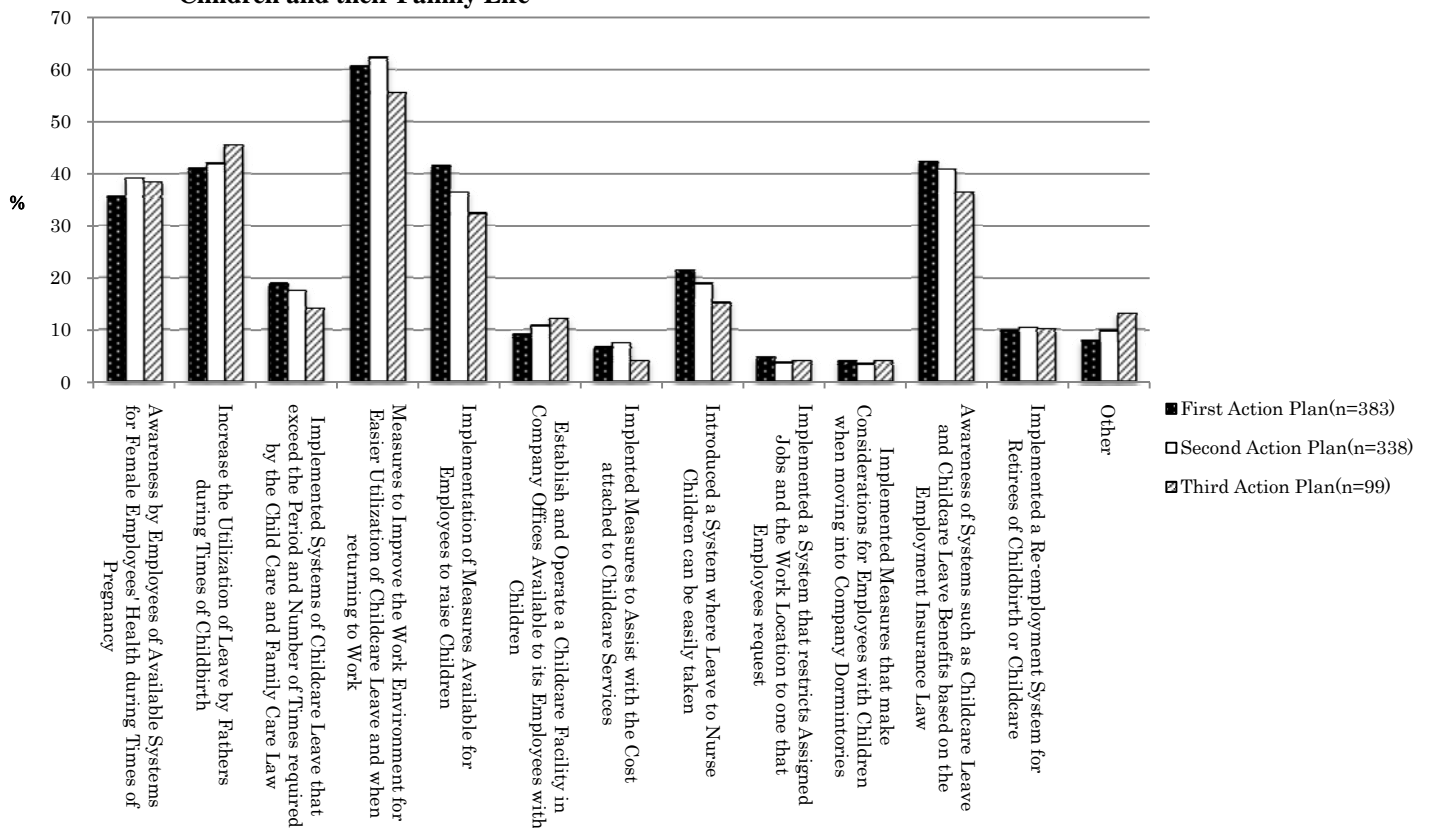
The Effects of Action Plan Formulation and Implementation (n=383)



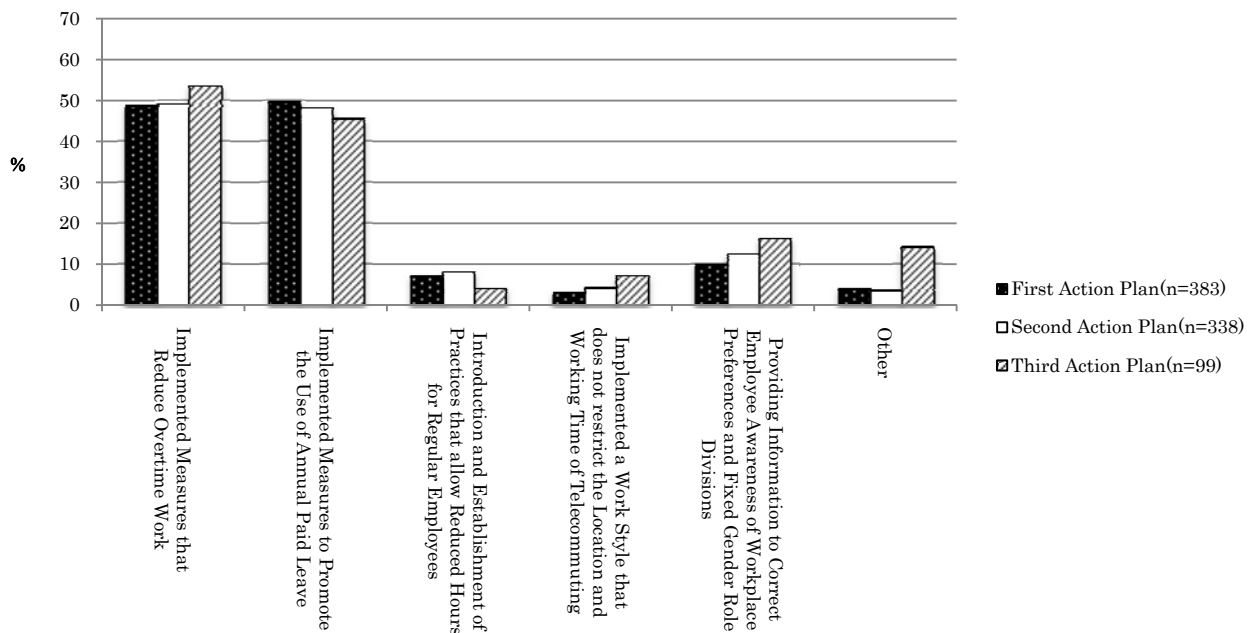
Proposition 2 The number of times an action plan has been formulated showed no difference in the contents included in it. Continued efforts are important to reform work-life balance policies for to better balance work and childcare and employee work styles.

Willingness to formulate an action plan

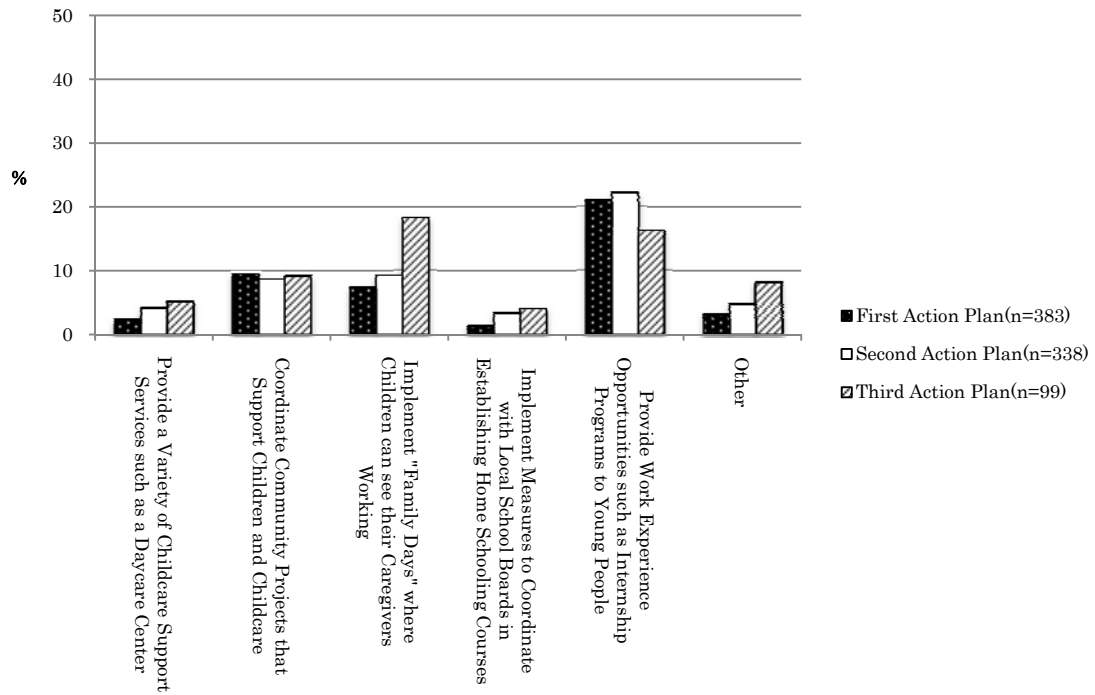
(1) A Work Environment that Supports a Balance between the Work and Life of Employees with Children and their Family Life



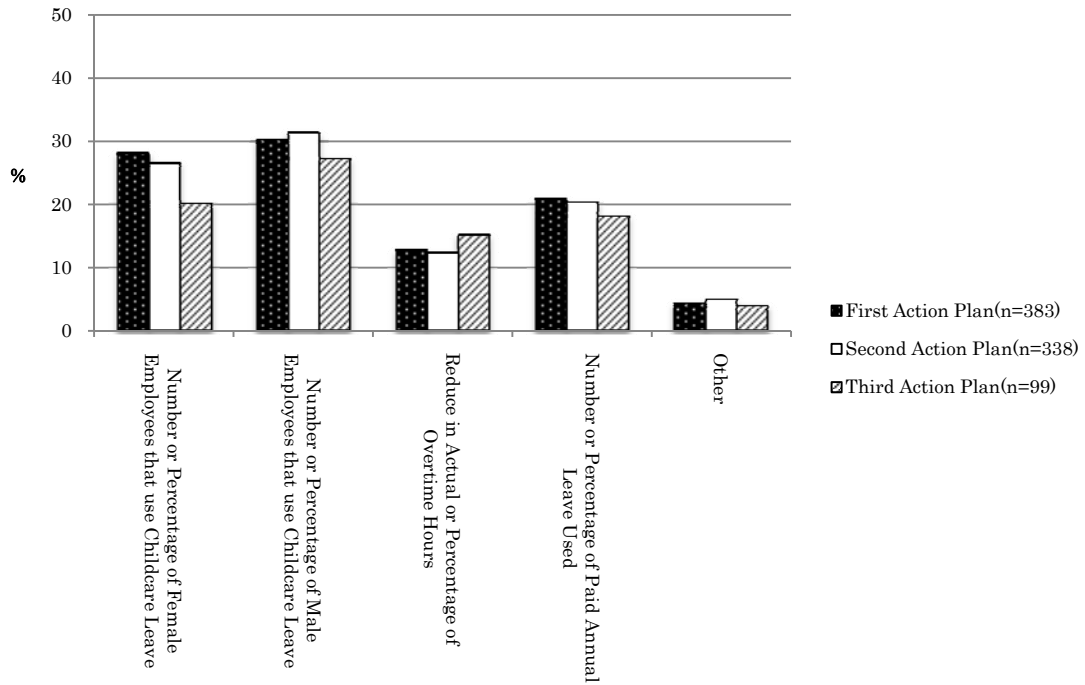
(2) Diverse Work Conditions that Contribute to a Review of Work Styles



(3) Other Items Related to the Support of Raising Next-Generation Children

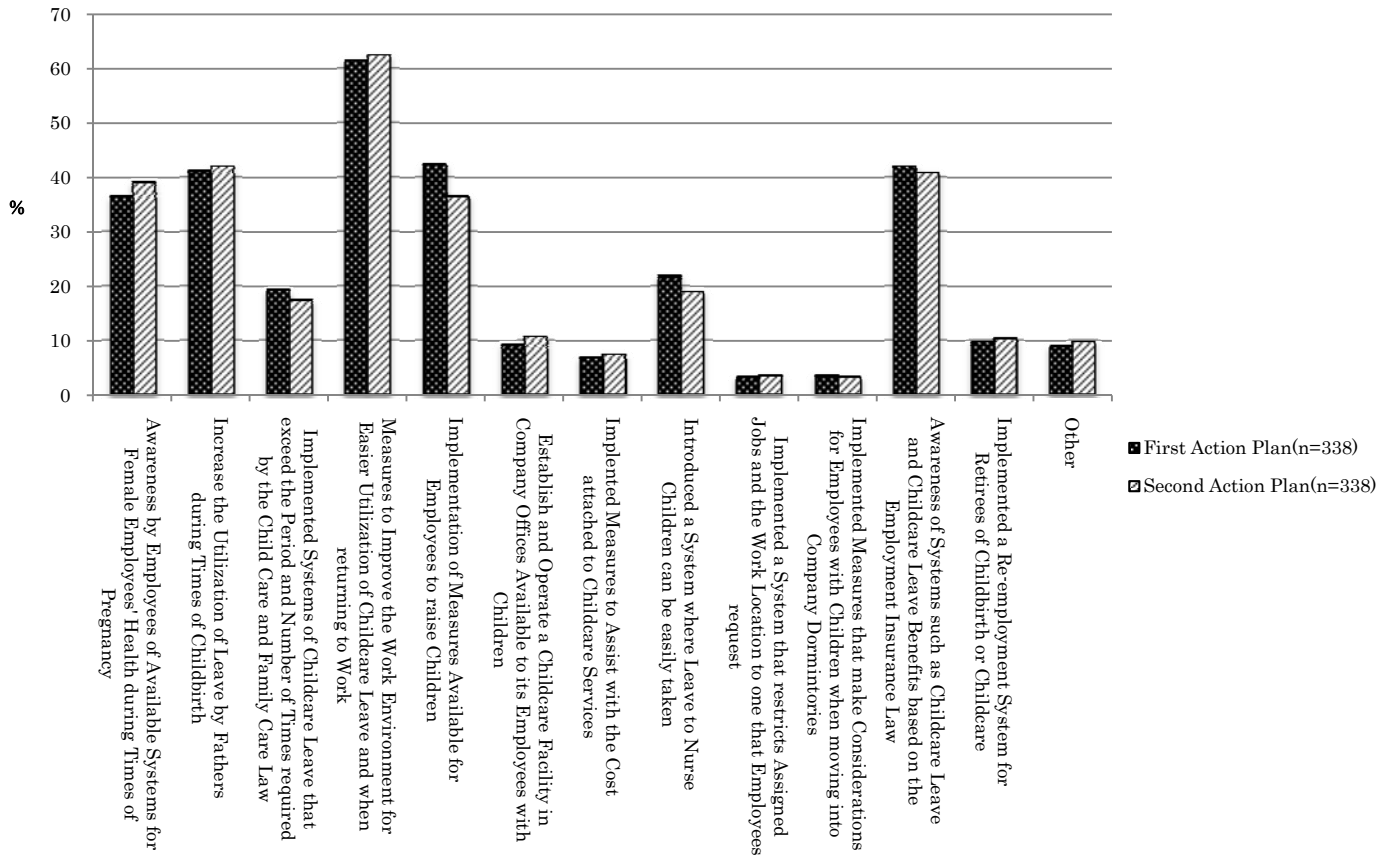


(4) Numerical Targets included in an Action Plan

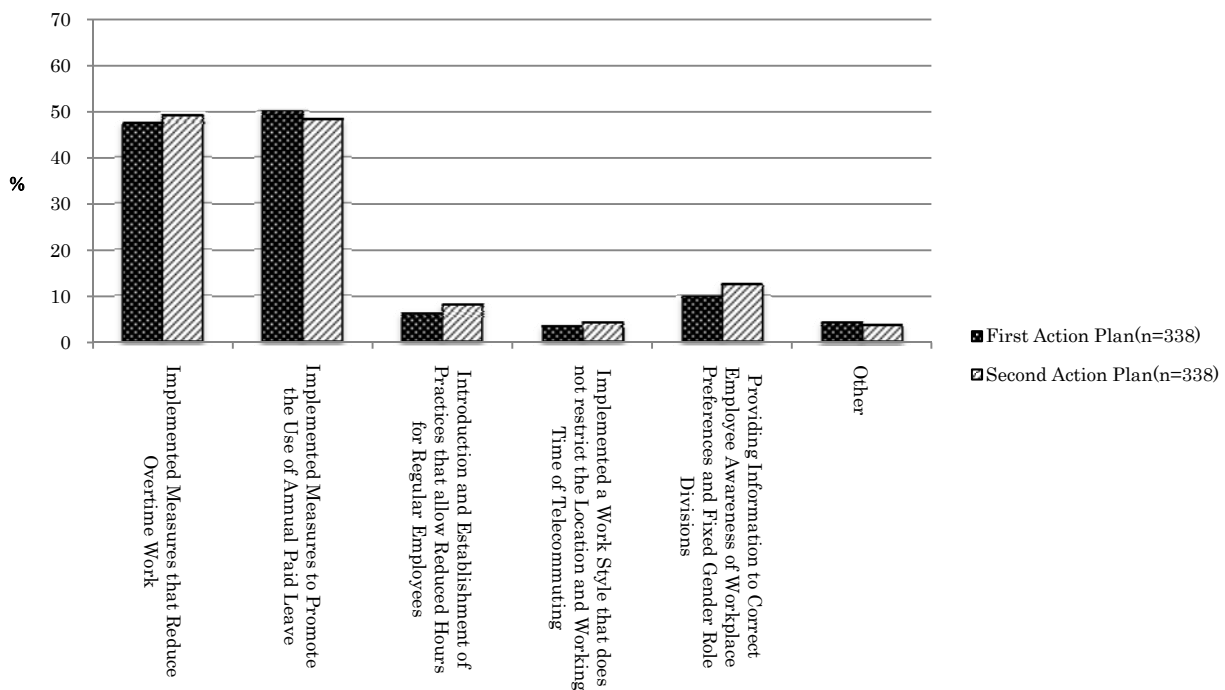


Companies that have formulated an Action Plan more than two times

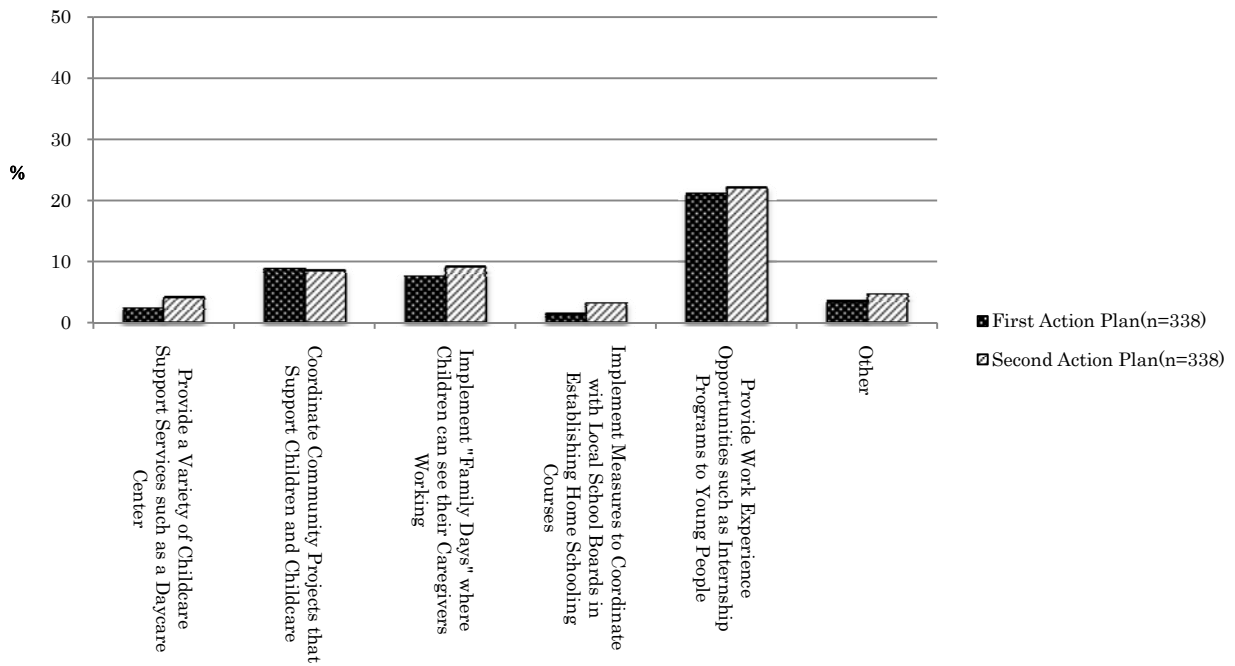
(1) Work Environment that Supports a Balance between the Work and Life of Employees with Children and their Family Life



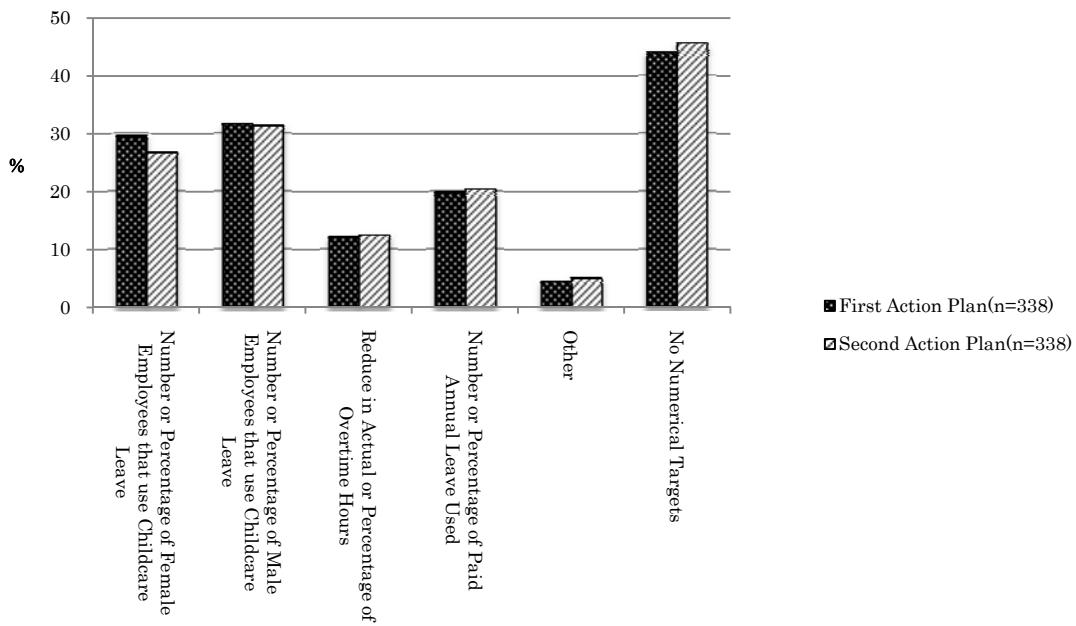
(2) Diverse Work Conditions that Contribute to a Review of Work Styles



(3) Other Items Related to the Support of Raising Next-Generation Children



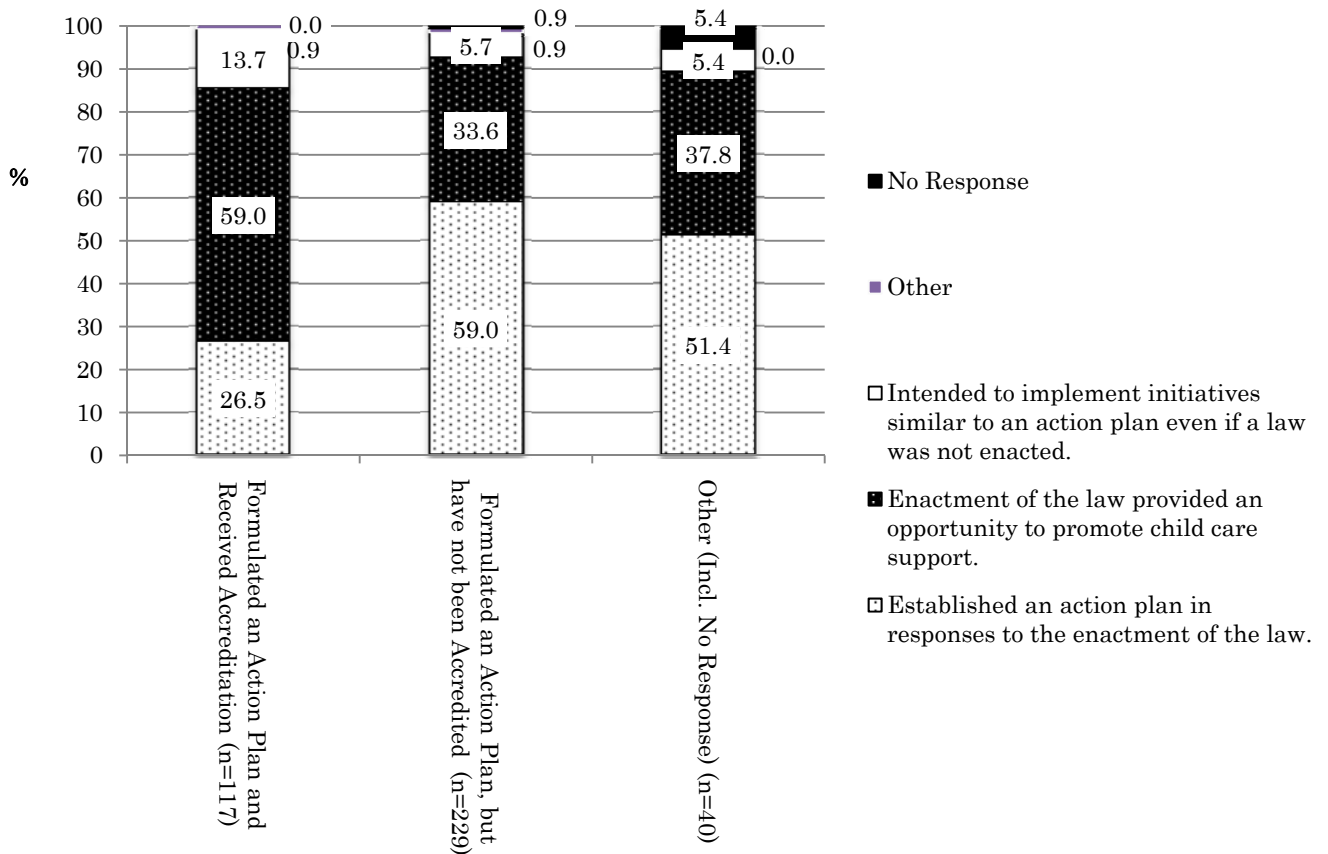
(4) Numerical Targets included in an Action Plan



Propositions for the Accreditation of an Action Plan

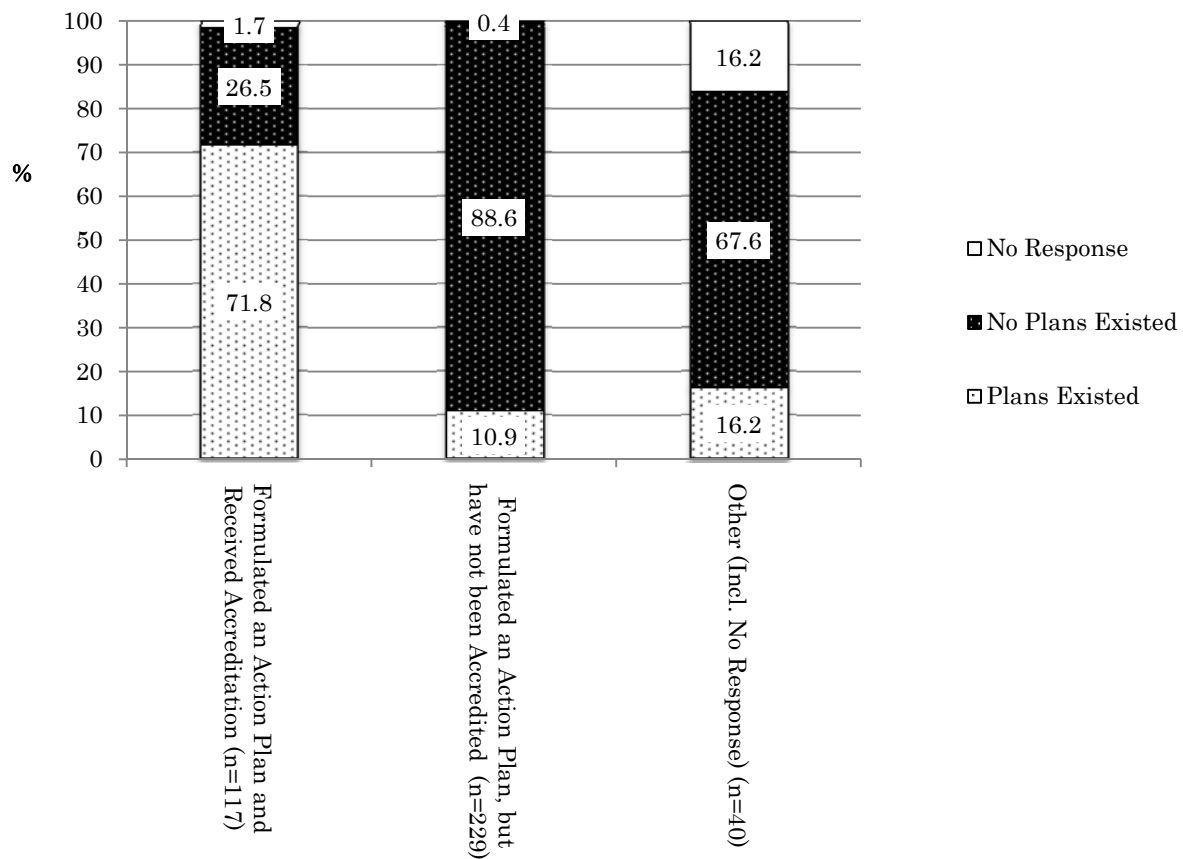
Proposition 3 In accredited companies, the formulation of an action plan is positively perceived as an opportunity to further develop a balance of work and childcare support. Creating improvements of employee work environments rather than wanting to respond to the law leads to accreditation.

Commitment to the Formulation of Action Plans (n=383)



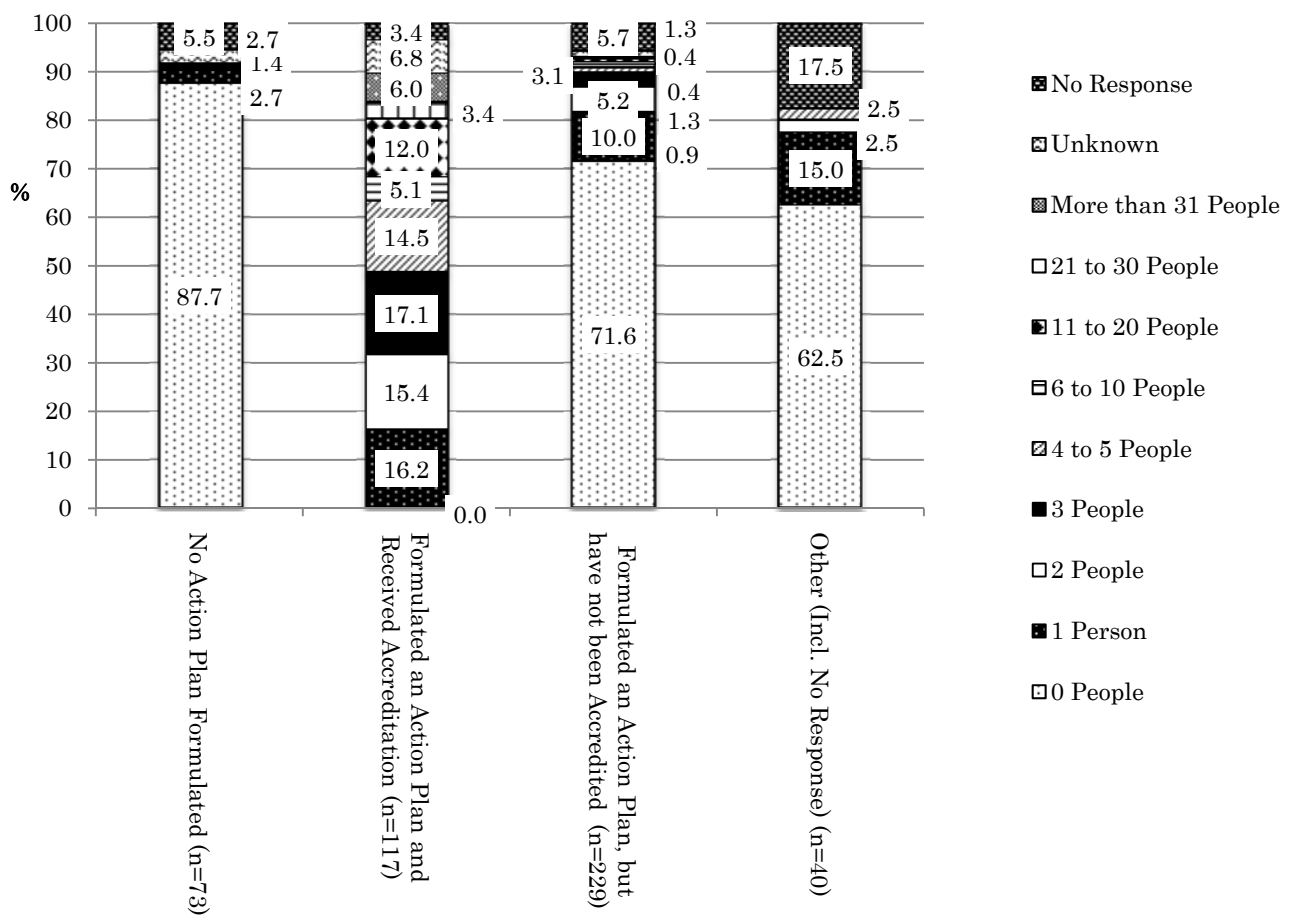
Proposition 4 Even if an action plan is formulated, acquiring accreditation will not be realized without awareness and desire to get accredited. It is therefore necessary to provide better incentives for more companies to strive to get accredited.

Whether obtaining accreditation was scheduled in the planning stage (n=383)

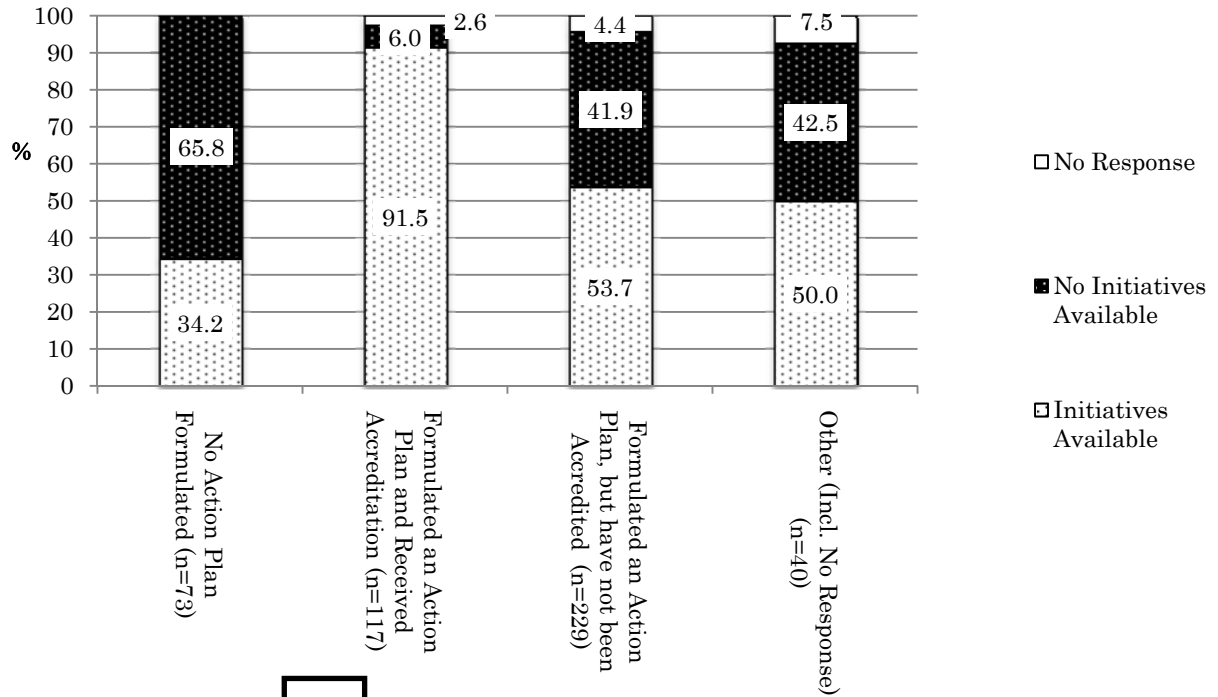


Proposition 5 Accredited companies implement measures that promote the utilization of childcare leave by male employees and several male employees have utilized childcare leave. (Note: To acquire accreditation, there must be at least one male employee that is using childcare leave during the planning period of the action plan). To obtain accreditation, initiatives targeted at both male and female employees are necessary.

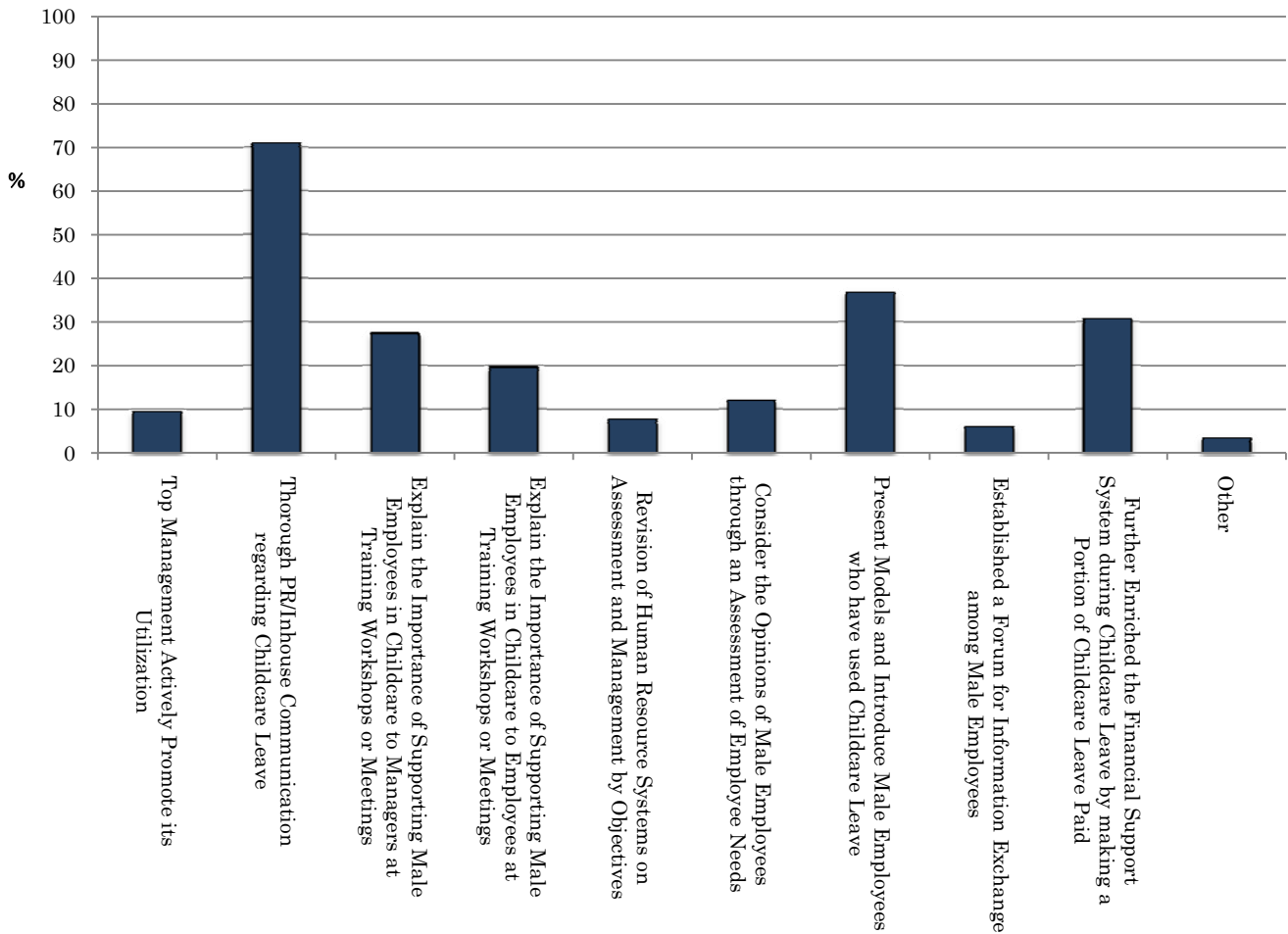
Number of male employees that utilize childcare leave (n=459)



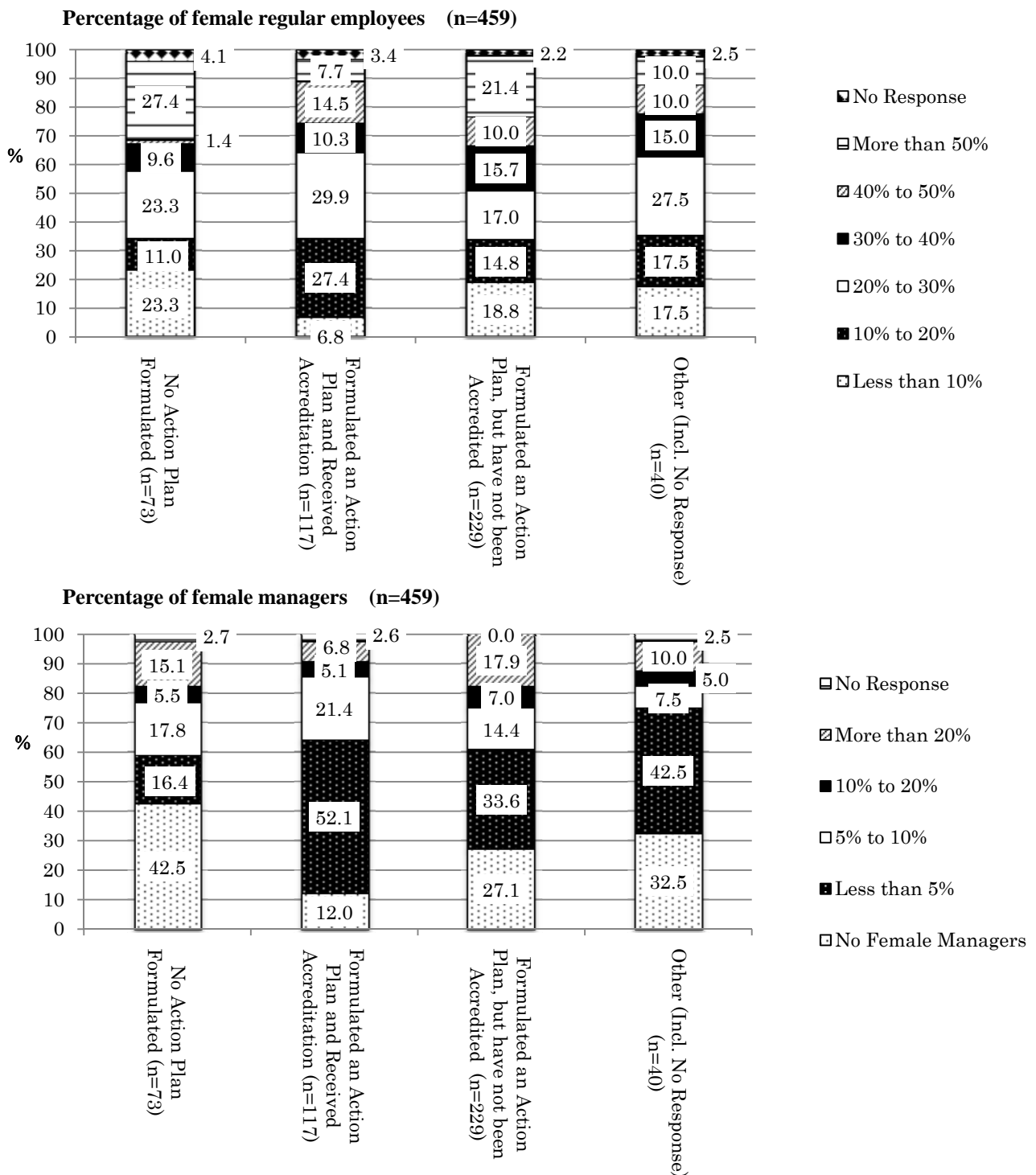
Initiatives that promote the utilization of childcare leave by male employees (n=459)



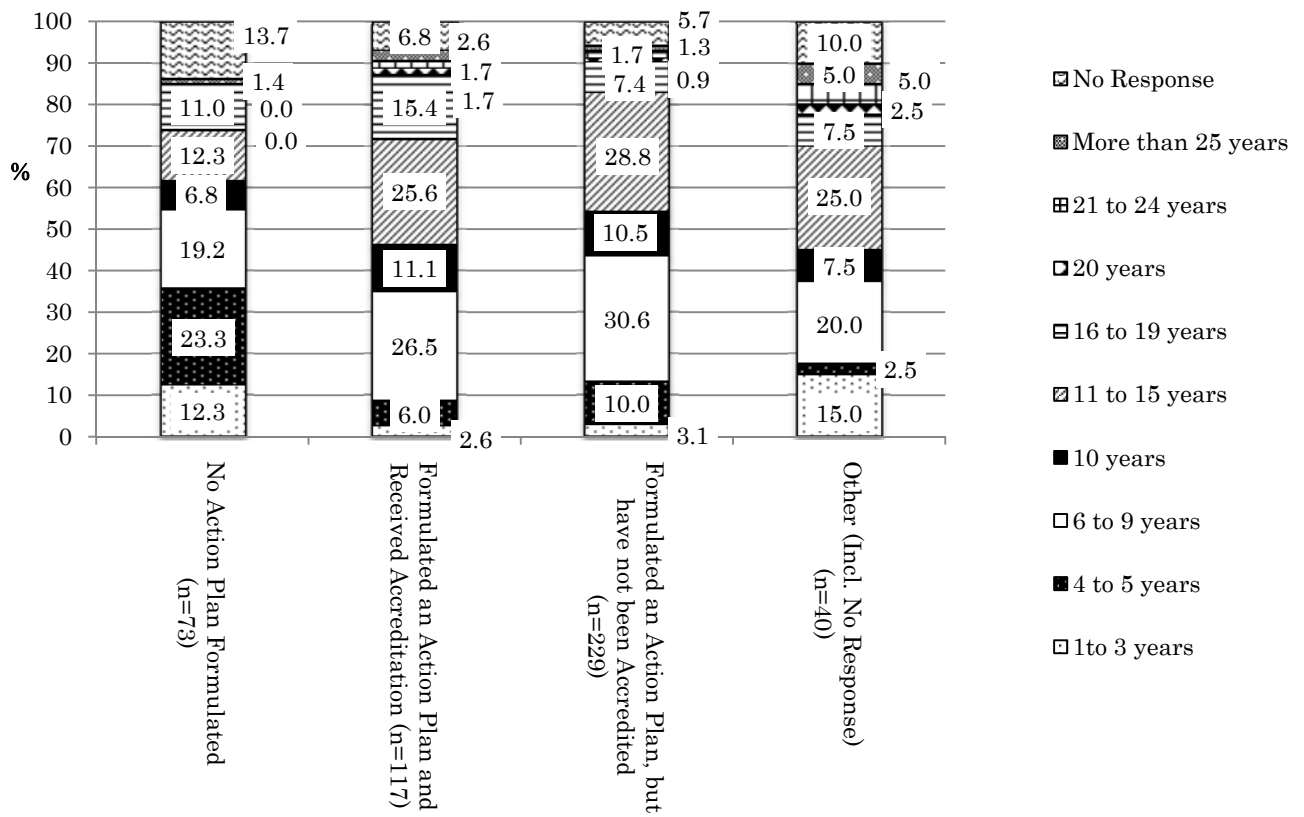
Detailed initiatives of accredited companies (n=117)



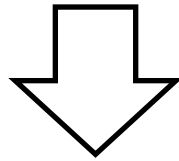
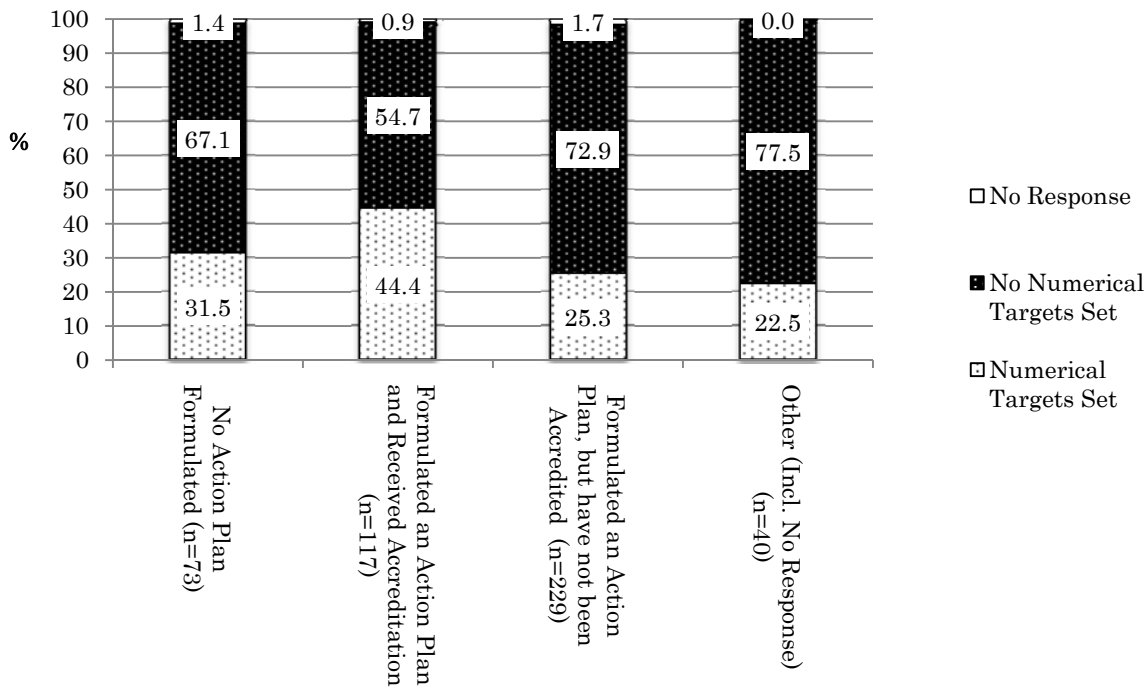
Proposition 6 Of accredited companies, not only is the tenure of female employees long, but the ratio of companies that indicate that there are no female managers are few. Also, there are set numerical targets regarding the ratio of female managers. To obtain accreditation, it is necessary to revise employee work styles with a particular focus on the traditional full-time male regular employees that assume a gender role division.



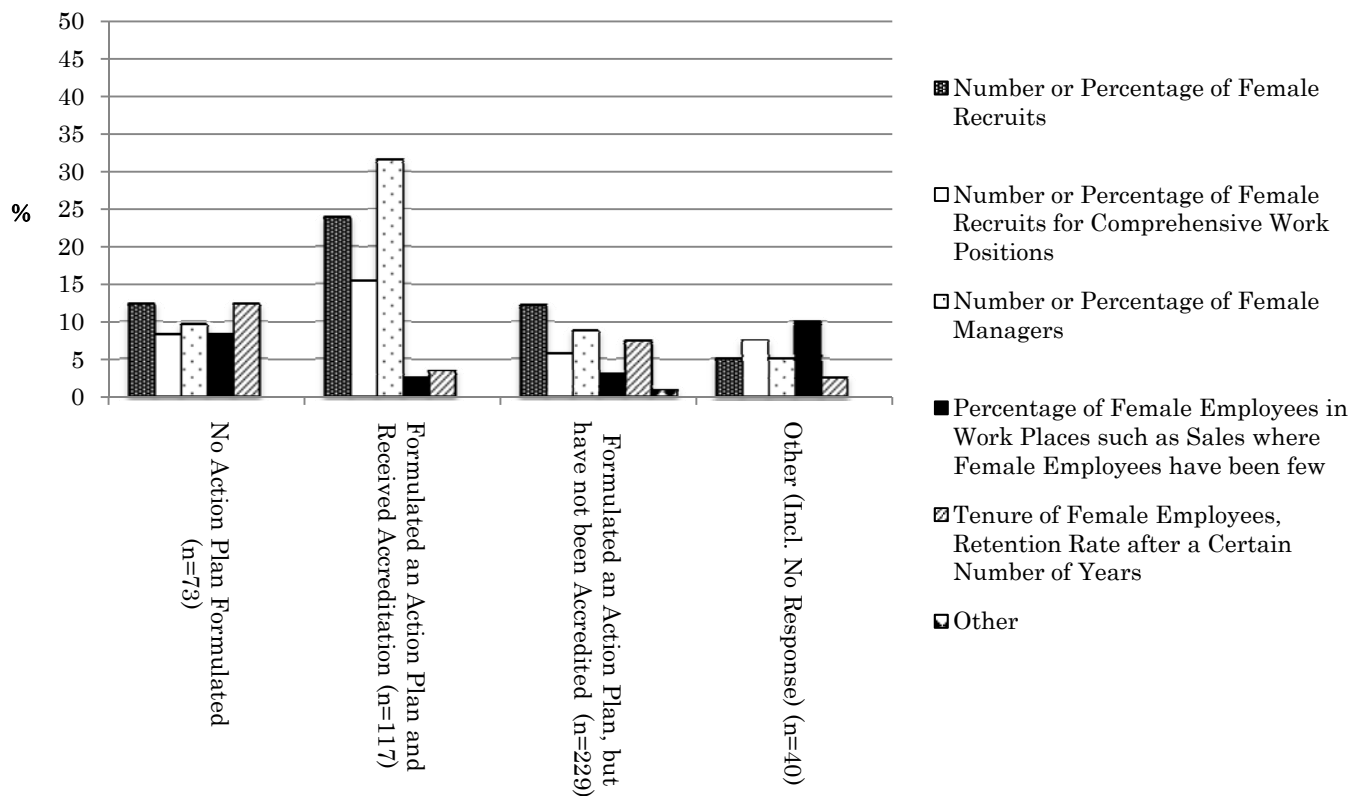
Tenure of female regular employees (n=459)



Setting numerical targets to increase the participation of female employees (n=459)

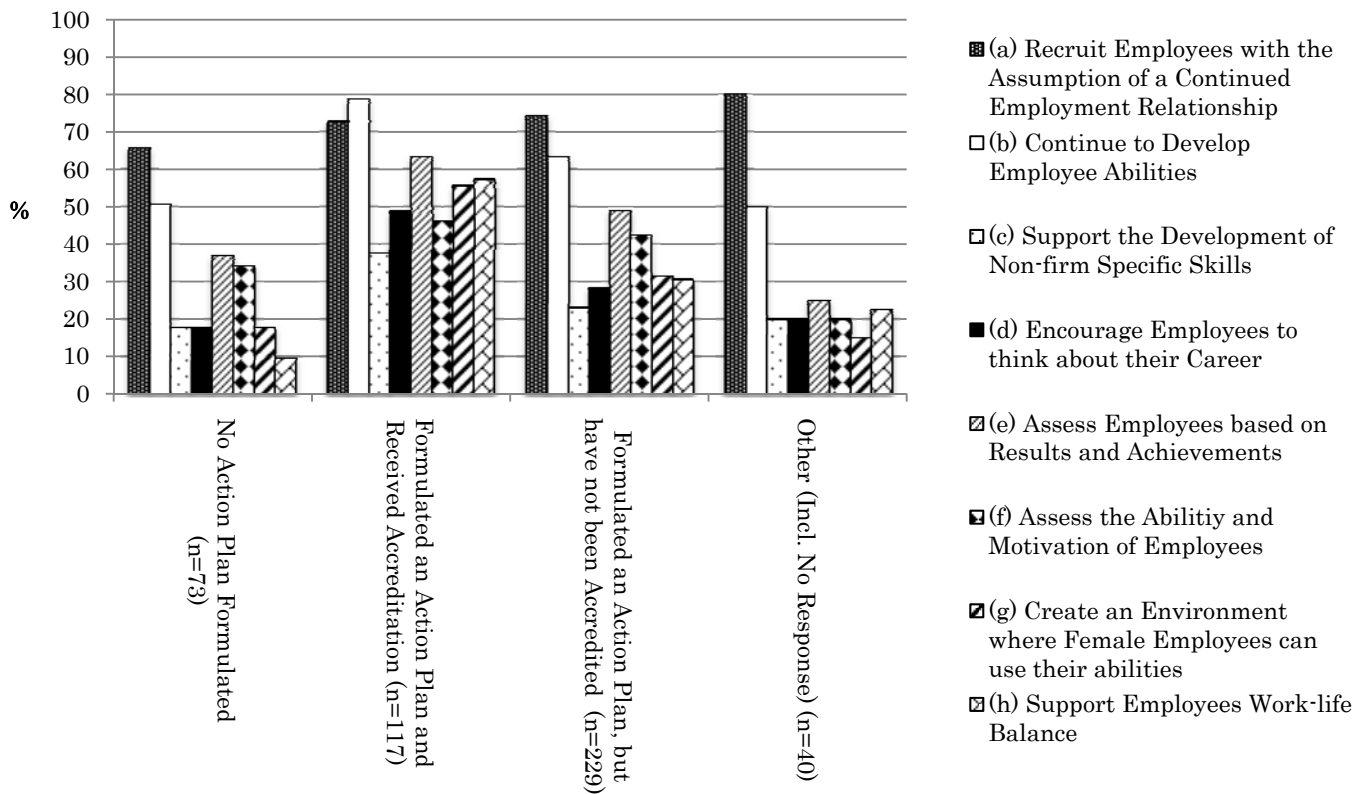


Numerical targets to increase the participation of female employees (n=459)



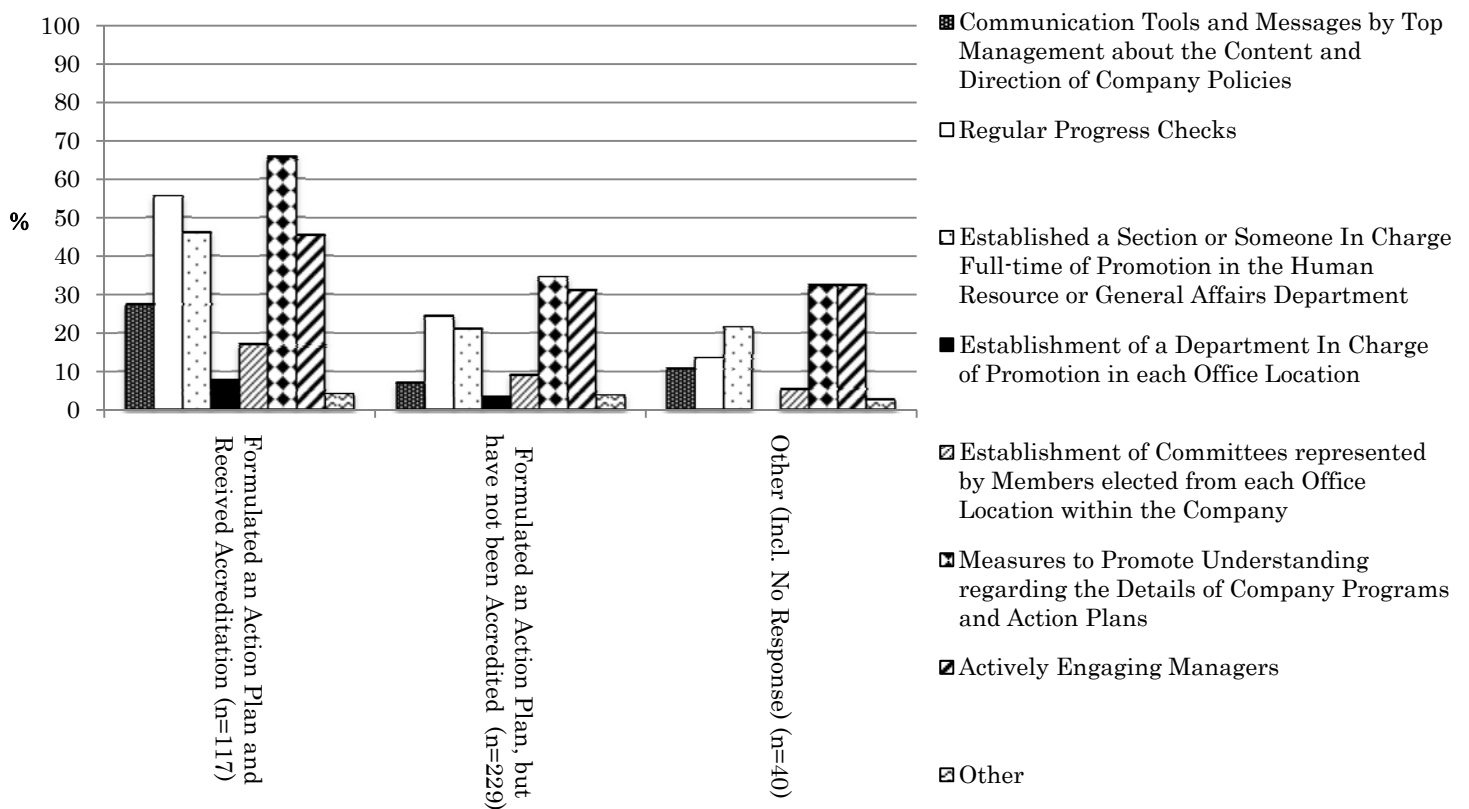
Proposition 7 Accredited companies emphasize human resource management policies in the development of employee vocational capabilities and endeavor to maintain and improve their motivation towards work. Human resource management that motivates employees by reviewing their employee assessment system and career support, linking work-life balance and human resource policies and continuing to develop employee abilities is important.

Proportion of companies that responded with “Important” to each individual item (n=459)



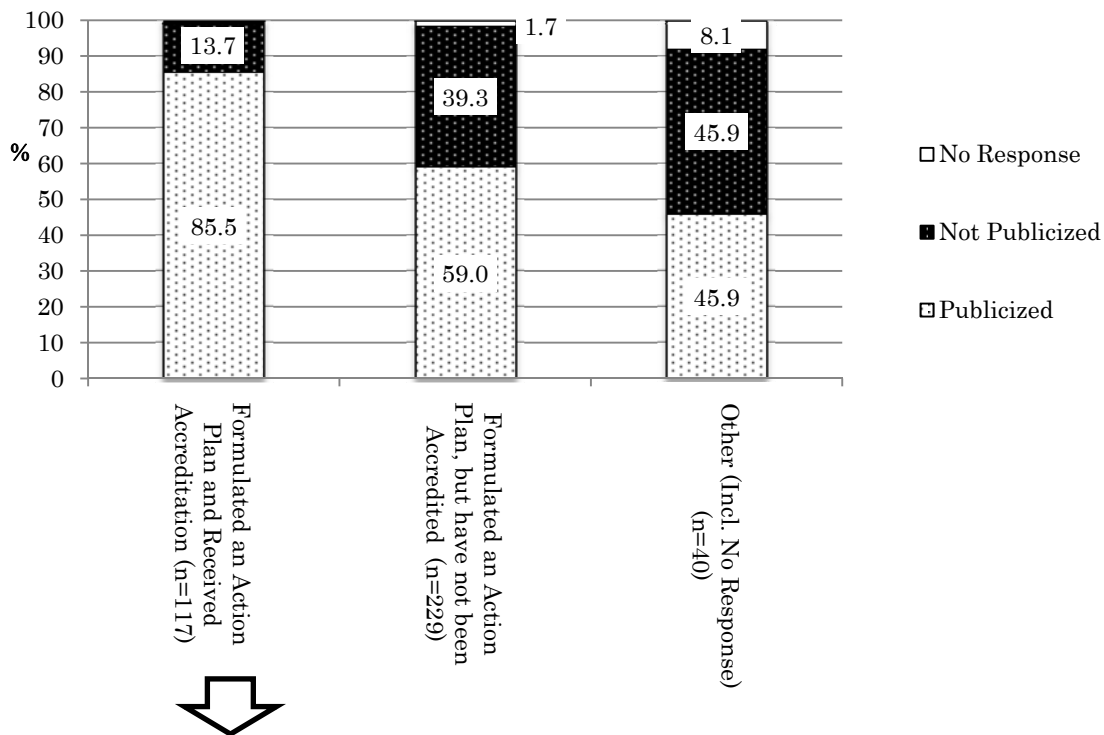
Proposition 8 Accredited companies introduce various initiatives such as efforts to increase the understanding of employees, regular progress checks, actively engaging managers and the establishment of someone in charge in order to execute the formulated action plan reliably. To get accredited, continuous initiatives are necessary.

Initiatives that assist in the execution of a formulated action plan (n=383)

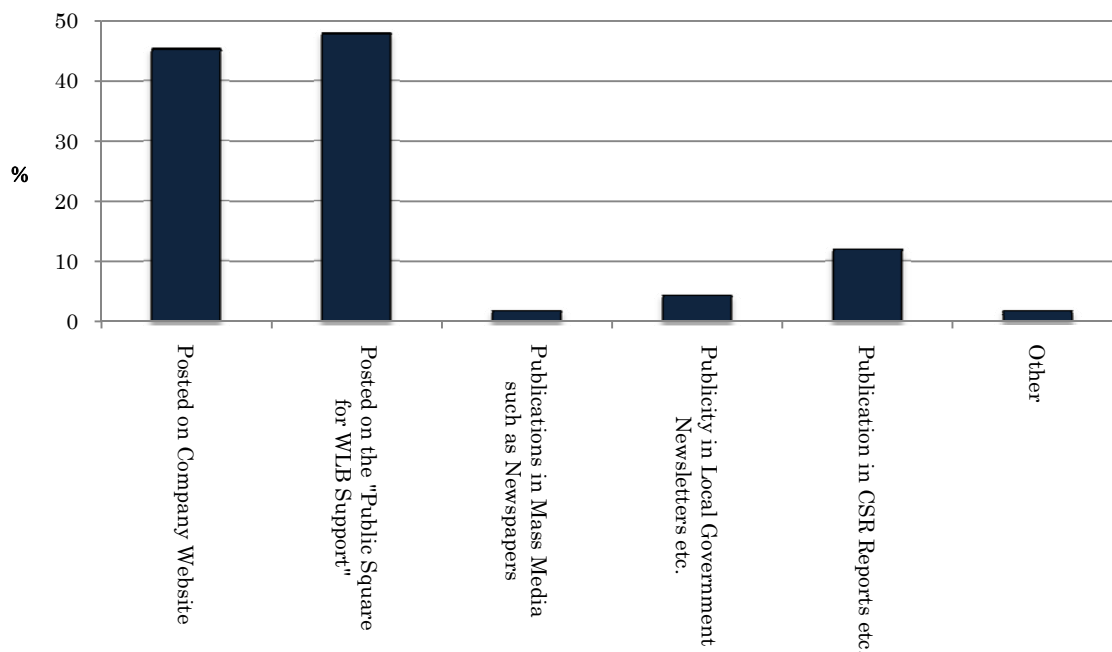


Proposition 9 Accredited companies use their company website or a “public square for WLB support (*Ryoritsu Shien no Hiroba*)” to publicize the action plan. Active publication leads to the implementation of continuous initiatives for accreditation.

External publication of most recent action plans (n=383)

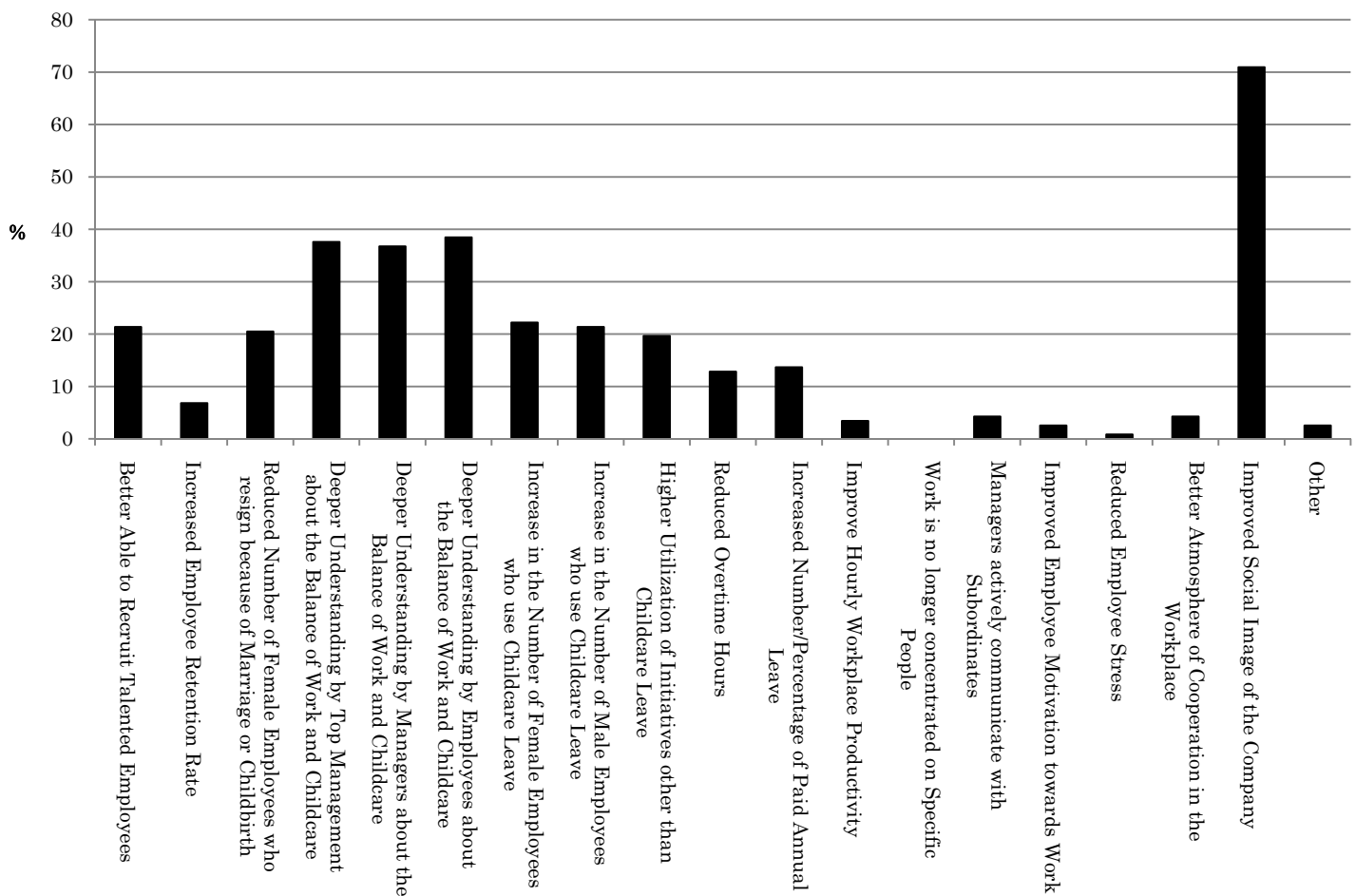


Methods of External Publicity by Accredited Companies(n=117)

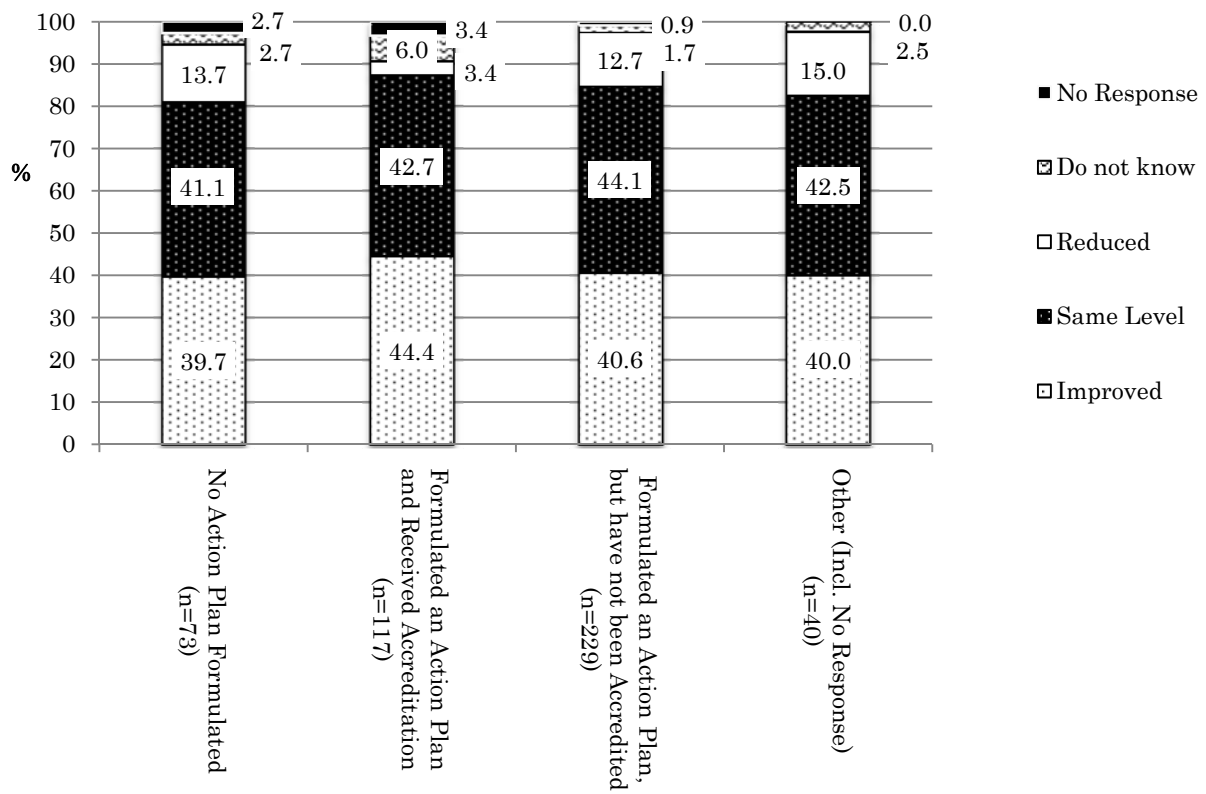


Proposition 10 In many accredited companies, an effect on the social image of the company and a deeper understanding regarding the balance of work and childcare can be observed. Obtaining accreditation leads to an improvement in the evaluation and company image, and also the promotion of WLB.

The effects of obtaining accreditation (Number of accredited companies n=117)



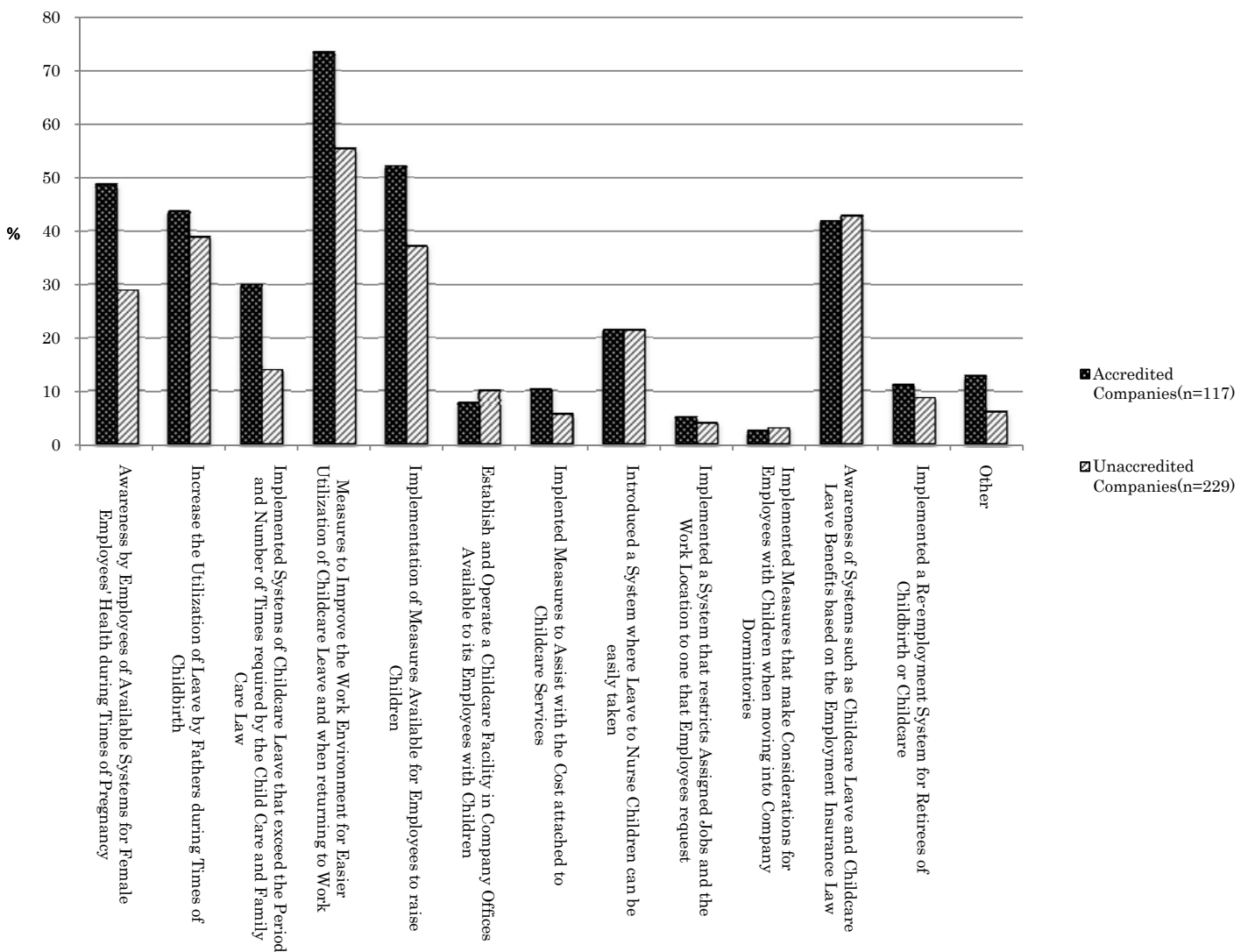
A 5 year comparison in the quality of recruited employees (n=459)



Proposition with Regards to the Issues of Accredited Companies

Proposition 11 Accredited companies actively deal with the balance of work and childcare, but sufficient measures are not taken to reform employee work styles. In the future, it is necessary to develop diverse ways of working tailored to the needs of diverse employees.

Items incorporating the “development of an employment environment to support a balance between work and family life of employees who are raising children” (first action plan).(n=346)



**Items incorporating the “diverse working conditions that contribute to the revision of work styles”
(first action plan). (n=346)**

