



Capitalizing on the Power of Overseas Talent

INTERVIEW WITH
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As economic globalization spreads and Japan's birth rate continues to decline, employing foreign talent with advanced specialized and technical knowledge is becoming vital for Japanese businesses. We spoke with Prof. Hiroyuki Fujimura of Hosei University's Graduate School of Business Administration about how talented foreign workers are being used in Japan and their potential.

it's not unusual for countries to have restrictions to ensure that workers from abroad do not take jobs from their own citizens. In Japan, however, the unemployment rate is relatively low compared to other countries, and due to the declining birth rate it is predicted that Japanese workers alone will not be able to fulfill all vacancies available in fields expected to attract superior foreign talent. Japan's restrictions involving employing exceptional foreign talent are therefore notable for being considerably less stringent than those of other countries.

What's the situation in terms of Japan's businesses?

Employment in the West and in other Asian countries is typically conducted according to a job-based model in which one's professional duties are clearly stated and described in detail, and foreigners seeking employment at Japanese businesses come with this model in mind. However, in Japan we follow a member-based model. Individual job performance is of course valued, but it is expected that members will work together in a way that would enhance overall output in the organization. In

Tell us how foreign talent is currently used in Japan.

The restrictions on finding employment in Japan are usually considered harsh, but compared to other countries Japan is very welcoming of foreigners. In particular, superior foreign talent with university or graduate-level educations who work in professional fields or have been in management-level positions are handed visas virtually outright. On a global level,

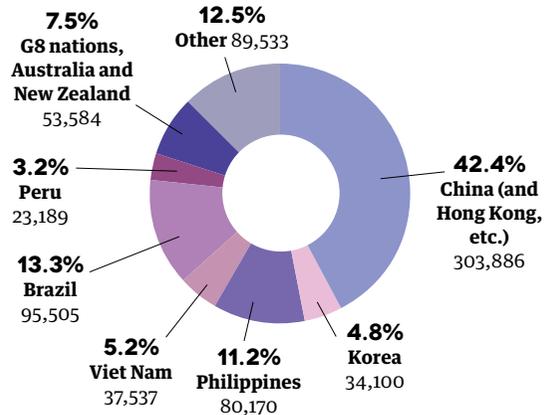
particular, it's a typical practice for newly hired graduates to be assigned a variety of different jobs for several years before they take on a specialized role. Customs such as helping out your coworkers once your own tasks are done are also perfectly normal for Japanese, but that is a difficult concept for foreign workers who envision a job-based environment to grasp. In response, the Ministry of Health, Labour and Welfare has created the "Manual of Best Practices for Using Superior Foreign Talent." In addition to using this manual, employers must clearly explain their employment objectives and company structure in a manner that is compatible with the thought processes of their foreign employees.

What steps should Japan take to make the most of foreign talent?

So far, Japanese businesses haven't optimized the strategic potential of foreign talent. Even when they do employ superior foreign talent, they usually pigeonhole these people in the traditional Japanese way of doing things, so foreign recruits ultimately give up after a short period of time. The number of potential employees in the world with outstanding skills is limited. If you're hiring foreign employees to secure superior talent, you need a human resources policy that supports them. The life plans of foreign workers and their goals in working for a Japanese company vary from person to person, and firms also have many reasons for seeking out foreign talent. For foreign talent and businesses to understand each other's needs, both sides must abandon this idea of "I don't need to say what I'm thinking; they'll just know," and have a clear dialogue about their needs on an individual basis. In all probability, the majority of issues that arise can be resolved by simply taking the time to explain. If an effort is made to hold such discussions regularly, I believe Japanese businesses will make even better use of the power of foreign talent. 

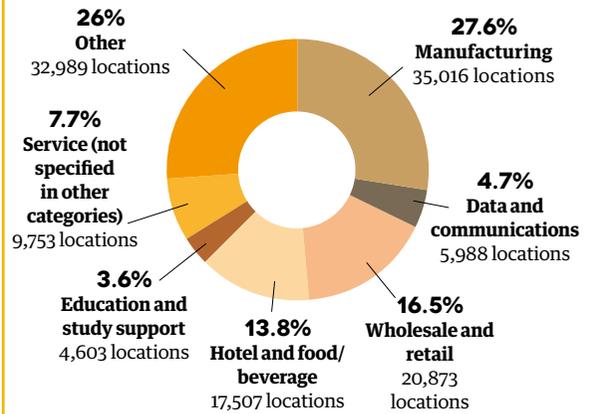
NUMBER OF FOREIGN WORKERS BY NATIONALITY AND THEIR PERCENTAGE OF THE TOTAL

Total number of foreign workers: 717,504



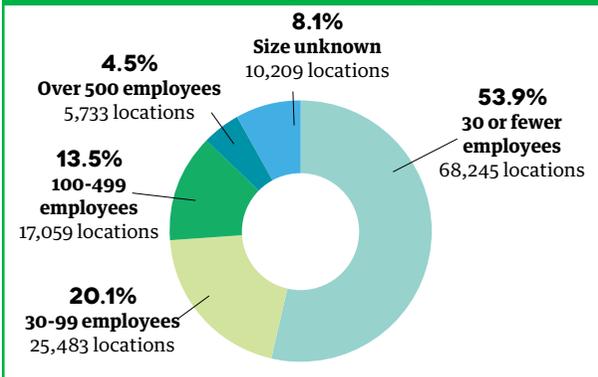
BREAKDOWN OF FOREIGN WORKERS BASED ON BUSINESS SECTOR

Total number of enterprises surveyed: 126,729



FOREIGN WORKERS ACCORDING TO SIZE OF THEIR EMPLOYERS

Scale of enterprises in which foreigners are working
Total number of enterprises in survey: 126,729



Source: Ministry of Health, Labour and Welfare—the current situation of notifications of the employment status of foreign nationals (2013/10/31)

These statistics are based on the number of applications submitted by employers for foreign employees at the end of October 2013, so they may not always be consistent with the current, complete numbers.