Reasons for Loss of International Talents in Japanese Workplace
Effects of Efforts to Encourage International Participation in Japanese Workforce

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Abstract. Japan is a country with the most serious aging problem, hence it attaches great importance to the cultivation of international talents. The government allocates a lot of money and labor for the development of internationalization on education. However, it is difficult for foreigners to adapt to the Japanese workplace. In other words, Japan’s unique workplace culture leads to low employment intentions of foreigners. This paper analyses the reason why Japan urgently needs global talents, summarizes the difficulty which foreigners will meet at the workplace in Japan, and expresses views on increasing foreigners’ intentions to stay and work in Japan.

To conclude, the large-scale brain drain problem in Japan has not been well resolved. In order to prevent the problem, multiple perspectives should be looked at. Based on the current situation of the Japanese workplace, effective job-seeking assistance for international students needs to be proposed, and the culture shock problem needs to be focused on. Besides, Japanese companies should increase diversity in employee adoption to reverse the loss of international talents and reduce huge workplace stress.

Keywords: Brain drain · Workplace in Japan · Employment of foreigners · Globalization

1 Introduction

Japan attaches great importance to the development of talents in the context of the development of international society. Japanese government issues a series of policies for international students, and these policies have been proposed to pave the way for Japan’s internationalization strategy. The development of Japan’s G30 super-international university plan is to cultivate international talents who have highly specialized knowledge and can shine in Japanese companies. In these universities, foreigners can obtain the company’s default admission qualification, which decreases the job-seeking pressure dramatically.

However, the problem of brain drain is still serious. For instance, only 24.4% of foreigners hold managerial positions in the companies of niki 225. This is lower compared to the UK at 34.0% and France at 36%, according to Japan Stuart Board Index
2021. After university graduation, most foreigners choose to return home or go to other countries for further study. Although Japan allocates a large amount of money to develop international talents, only a few of them choose to work in Japan. At present, there are still big flaws in various parts for international students in Japan, including language problems, job-seeking activities, social pressure, and treatment after adoption. Japanese society is conservative and its ability to accept foreigners is weak.

This paper first analyzes the reasons why Japan urgently needs international talents, then summarizes the difficulties encountered by foreign workers in Japan’s workplace, and finally gives relevant suggestions for improving foreigners’ intentions to work in Japan. At present, there is little research on the employment of international students in Japan. This paper helps to supplement and summarize the research in this field.

2 The Current Situation of Japan’s Urgent Need for International Talents

2.1 Japan’s Aging Problem

At present, the aging problem in Japan is the worst in the world. Japan’s population is experiencing negative growth. As seen in Fig. 1, according to the future population and household estimates of the Japanese national institute of population and social security research in 2017, the total population of Japan is expected to drop to 88.08 million
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in 2065; the inflection point at which the total population falls below 100 million will appear in 2053 [1]. Japan will have a serious shortage of labor. Therefore, in order to allow a large number of foreign talents to enter Japan, the Japanese government creates a specific skill visa, which makes it easier for people from developing countries, such as those in South East Asia, to continue to work in Japan for another two years [2]. It can be seen from this policy that Japan has a large demand for foreign labor.

2.2 Japan’s Policy for International Students

The Japanese government issued the “100,000 International Students Program” in 1983, aiming to attract foreign students and actively encourage foreign students to study in Japan. In the 1980s, in addition to state-funded students, self-funded students also gradually emerged. In order to attract more international students, the government has introduced corresponding financial support measures. Examples include the scholarships and free foreign language courses Japanese government provides to self-funded international students. The “100,000 International Students Program” has significantly increased the number of international students studying in Japan, from 5,849 in 1978 to 109,508 in 2003. The program was successfully completed in 2003 [3].

From 2008 to 2009, some policies for international students were issued, such as the “Global30 (G30)” and “Top Global University Project (SGU)”. These policies are in response to “Japan’s 300,000 International Students Program” which was issued in 2008. These two programs are focused on English teaching, offering courses taught in pure English. Because of this, although some students do not have a good level of Japanese, they can still access higher education in Japan. From G30 and SGU, it can be noted that Japan pays much attention to developing international talents and hopes international students work for Japanese companies. This also reflects the spirit of continuous research and exploration of the internationalization of higher education in Japan from all walks of life.

3 Difficulties for Foreigners in the Japanese Workplace

3.1 Japanese Corporate Culture

Table 1 shows various difficulties encountered by international students in the Japanese workplace, including challenges in the workplace time management, culture, socializing, and stress. These students specially feel difficult to adapt to the hierarchical system in the workplace of Japan. The system can be described as a pyramid, in which the president of a Japanese company exists at the top, then each manager leads several large and small teams, and the ordinary employees in those teams are at the bottom. The decision of the president is communicated to the minister, and the minister assigns tasks to the hands of employees. Thus a real “top-down” Japanese workplace picture is displayed, which not only shows the change in management power but also on the psychological level. At the same time, the complicated honorific system provides strong evidence for the uniqueness of the “top-down” hierarchy [5]. To summarize, the hierarchical culture of the Japanese workplace is difficult for foreigners to accept, thus weakening their intention to work in Japan.
Table 1. Difficulties felt by international students in Japanese workplace [4].

<table>
<thead>
<tr>
<th>Workplace time management</th>
<th>Workplace culture</th>
<th>Workplace socializing</th>
<th>Workplace stress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection of company information</td>
<td>Understanding recruitment culture and hierarchical system</td>
<td>Influence of the social networks among workers</td>
<td>Adaptation to recruitment culture</td>
</tr>
<tr>
<td>Participation in internship</td>
<td>Document preparation</td>
<td>Get ready to listen</td>
<td>Unclear selection criteria</td>
</tr>
<tr>
<td>Participation in briefing session</td>
<td>Document making</td>
<td>Get advice</td>
<td>Simultaneous progress of multiple selections</td>
</tr>
<tr>
<td>SPI measures</td>
<td>Document correction</td>
<td>Listen carefully</td>
<td>Fail in the final selection</td>
</tr>
<tr>
<td>Interview measures</td>
<td>Web test practice</td>
<td>Listen honestly</td>
<td>Loss of self-efficacy</td>
</tr>
<tr>
<td>Preparation for writing a dissertation</td>
<td>Interview practice</td>
<td>Understand the speaking</td>
<td>Feeling frustrated with the surroundings</td>
</tr>
<tr>
<td>Seminar announcement</td>
<td>Interview feedback</td>
<td>Take action</td>
<td>Anxiety about the course of future</td>
</tr>
</tbody>
</table>

3.2 Few Management Positions for Foreigners

In 2011, 69.6% of Japanese companies did not employ any foreigners for management positions, and 23.7% of Japanese companies employed only a few foreigners for management positions, with a proportion between 0% to 1%. Together, they account for 93.3% of the total number of companies. No company has more than 10% of foreign managers. As of 2011, there has been little progress in the promotion of foreigners for management positions [6].

In Japanese workplace, some Japanese employees believe that foreigners are not as capable as Japanese and they are not qualified enough to manage Japanese in a higher position compared to Japanese. This is one of the reasons that leads to the distrust of foreigners in some Japanese companies. Additionally, it is difficult for foreigners to adapt to the complicated etiquette of the Japanese workplace. Both of these reasons make it difficult for foreigners to integrate into the workplace.

3.3 Job Pressure in Japan

In Japan, housing prices are relatively low, and cars are cheap, yet young people still feel stressed and even commit suicide. People are puzzled by this situation. According to the “White Paper on Prevention of Karmic Death and Other Countermeasures” issued by the Japanese government in 2018, from 1998 to 2011, the number of suicides in Japan has exceeded 30,000 per year for 14 consecutive years. After 2010, the total number of suicides decreased, but the number of suicides due to work problems still showed
an increasing trend. In 2017, the number of suicides due to work in Japan was even higher, accounting for 9.3% of the total suicides. Given that Japan is about to enter a super-aging society, the increase in the number of suicides is undoubtedly an extremely serious social problem [7], and it also reflects the high work pressure in the Japanese workplace. This, as well, has led to a decrease in the number of foreigners willing to stay and work in Japan.

3.4 Changes to Japan’s Labor Dispatch Law

In 1995, the Federation of Japanese Business Operators published a report entitled “Business in Japan” in the New Era: Directions for Challenges and Concrete Measures, encouraging companies not to stick to traditional employment practices, but to boldly make labor flexible and mobile through reducing labor costs and realizing the cost reduction of enterprises. Not only did the report help entrepreneurs make bold layoffs, it also drove changes to Japan’s 1999 Labor Dispatch Law. Japanese companies have changed the compensation system from the seniority-based system to the performance-based compensation system, and from the lifetime employment system to the short-term contract system.

Because the lifetime employment system no longer exists, the original welfare in Japanese companies changes as well. In other words, cases of foreigners failing to get formal contracts may increase. Most of them will be indirectly employed by businesses through institutions, being cheaper and more “flexible” in the group of “informal and temporary employees” [8].

These examples show the current problems in the Japanese workplace, explaining why an increasing number of foreigners are reluctant to stay and work in Japan.

4 Suggestions for Improving Foreigners’ Intention to Stay and Work in Japan

4.1 Training Simulation for Job Hunting

Because of Covid-19, a large number of students do not have the opportunity to join the internship, therefore a training and simulation activity can be established through an online conferencing system (Zoom). The training and simulation activity is a process imitating the actual job hunting, so that students can experience it. Through “group interviews” and “group discussions,” which are common selection methods in actual job hunting, students’ practical skills are to be fostered [9].

4.2 Internship for International Student

Many Japanese companies have internship programs specially designed for Japanese students, however, there is no such program for international students. Therefore, compared to Japanese students, international students need to have a different mechanism for internships. Since companies in Japan have little internship experience with international students, there is no reference for them on how to proceed. As a result, many of them
gave up on the way. Therefore, it is necessary to design and develop a new mechanism specifically for international student internships. Unlike native Japanese students, there are problems with etiquette and customs for international students to understand a different culture. To solve these problems, universities can offer courses about the Japanese workplace to help foreign students find jobs and make it easier for them to adapt to Japanese workplaces. Meanwhile, Japanese companies, especially those that are reluctant to recruit foreign students, should also be encouraged to offer more opportunities for foreign students [10].

4.3 Guidance for the Understanding and Adaptation to the Cultural Differences

Specialized training for intercultural communication is needed. In the process of intercultural communication, it is important to realize that people can have different opinions on the same phenomenon, and some opinions can even be independent of the framework of self-knowledge. In other words, intercultural communication is a process in which people can find and discover a variety of ways of thinking. To help students with intercultural communication, there is a cross-cultural training method called the “case study method” that proves to be effective. The “case study method” requires students to compare language expressions and discover cultural characteristics. Due to cultural differences, the language expressions are also different among countries. Finding out a specific expression and exploring why it is different in different cultures can help deepen the understanding of cultural differences.

When conducting intercultural communication, under the premise of grasping one’s own culture, it is essential to understand the diversity of intercultural communication, correctly express one’s own opinions, and flexibly change one’s own thinking and behavior according to another culture [11].

5 Conclusion

Based on the current situation of Japanese society, this paper points out that Japan has an urgent demand for international talents. To prevent the loss of international talents, Japan has put forward a series of policies to cultivate international talents to improve the level of international education, and has recruited a large number of international students to enter Japan.

However, based on the inequality in the Japanese workplace mentioned in this paper, international students have encountered various difficulties working in Japan, such as the difficulties in adapting to the Japanese corporate culture, managing job pressure, and being employed for or promoted to management positions. Therefore, the intention of international students to stay and work in Japan after graduation is low. The Japanese government has invested a lot of manpower and financial resources in cultivating international talents, but the problem of the shortage of talents in Japan has not been solved due to the large-scale brain drain. Based on the current situation of international students in Japan, this paper proposes effective employment assistance for international students in theory and practice, including the training simulation for job hunting, internship opportunity for international students, and the guidance for the understanding and adaptation to the cultural differences.
This paper only analyzes the problem of brain drain in Japan from the perspective of inequality in the Japanese workplace. Future research can also focus on the phenomenon of Japanese society from a more internationalized and pluralistic perspective, thus improving the policies to solve the problems existing in the employment of Japanese international students and reducing the problem of brain drain.

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References

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