

Reflections on recruiting global talent for 2019 and prospects for 2020

By Industry specialties,
Job function specialties, and solutions

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1. About en world Japan

Recruiting/staffing company specializing in “Global Talent” for foreign capital and Japanese global companies

en world Japan is a leading recruitment agency headquartered in Japan, connecting multinational companies and international talent across the APAC region among 5 countries, since its founding in 1999. Our recruitment consultants cater to job-seeker’s diverse needs, career paths and working styles, whether they are executives or mid-career professionals. In addition to agency recruitment, we also offer full-cycle Recruitment Process Outsourcing (RPO) services.

Company Name : **en world Japan K.K.**

Parent Company : en-Japan inc.

Established : 1999

Company History : 1999 Business started as “Wall Street Associates”, recruiting company specialized in Finance.

2010 Became a group company of en-Japan

2012 Changed Company name to “en world Japan”

Head Quarter : Tokyo Square Garden 12F, Kyobashi 3-1-1, Chuo-ku, Tokyo 104-0031

Global Offices : India, Vietnam, Thailand, Australia

Japan Offices : Tokyo, Osaka, Nagoya

President : Vijay Deol

Business Outline : 1. Recruitment services of Permanent employees

2. Temporary Personnel Service < Contract Professionals >

3. Recruitment service of Global Leader / Management Layer
< Executive Search >

4. RPO(Recruitment Process Outsourcing) < enPower >

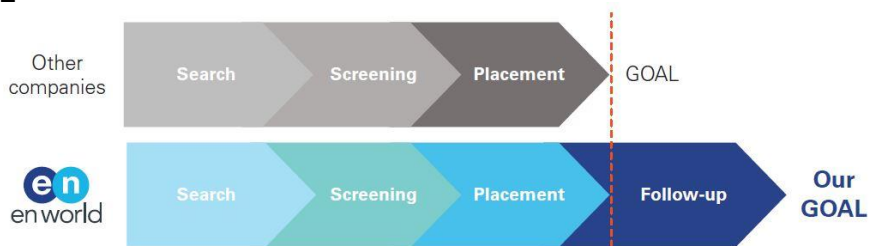
The number of employees : 342 (as of April,2019)



■ Our Mission

Where other companies’ see the placement as the goal, en world’s mission of “enabling success” means we focus beyond the placement, and continue support post-joining. For this reason, we only introduce positions at the consultation stage that enable candidates to be successful in their careers.

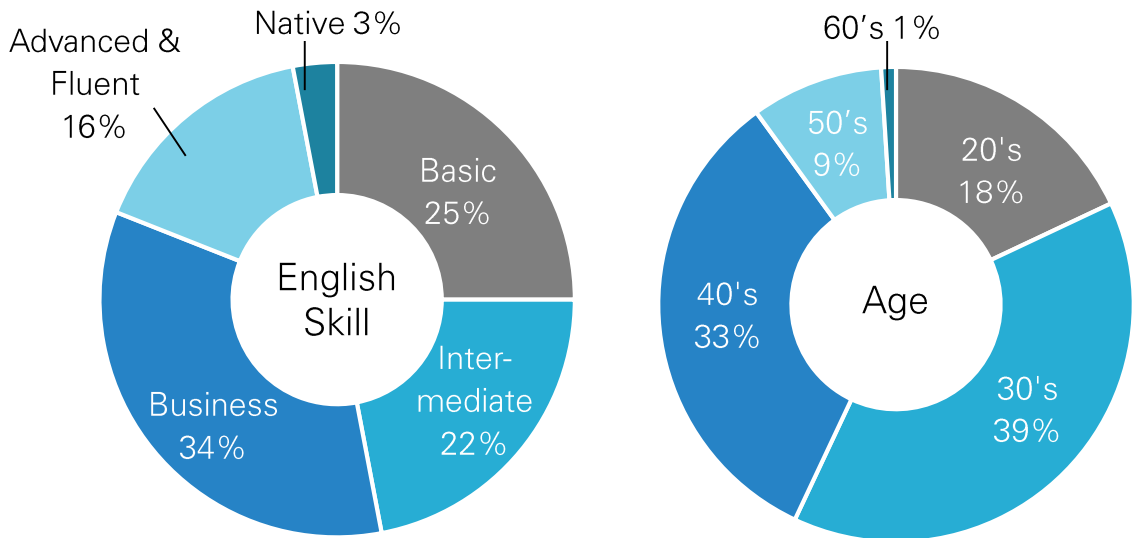
Our GOAL



Demographics of Candidates

Focused on middle to high career talent with specialized knowledge and skills.

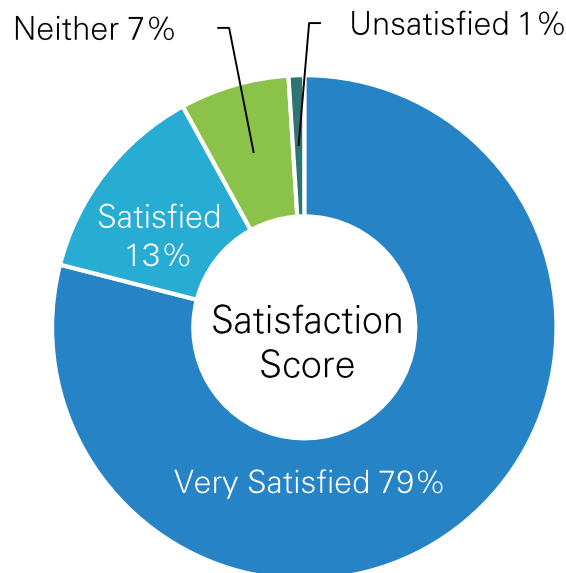
More than 50% of talent with business English level or above.



Candidate data of EWJ

Customer Satisfaction Score

92% of candidates satisfied with our service



※ NPS survey result Oct-Dec. 2018 en world Japan

2. Global talent recruitment and trends in the job change market



President
Vijay Deol

■ The current state of the employment market

Overall the job market and, subsequently, the recruitment market is still very buoyant. However, many business leaders are anticipating a slowdown in the economy and some sectors, such as automotive, have already started experiencing this. As a result, companies are becoming more conservative in hiring and potentially delaying investment that impacts hiring. There are some factors that have had what should amount to short term impacts in the market, such as the tax increase which caused a surge in purchases of higher cost consumer goods but will have a knock-on effect of a short-term slowdown (e.g. automotive). Other factors will affect the types of employment arrangements and environments such as work-style reform initiatives and changes to employment contract laws driven by the government.

■ Today's candidates and future issues

However, for the foreseeable long-term future Japan will continue to be a talent short market, meaning recruitment will continue to be more challenging, competitive, and important. Candidates will benefit from this and it is likely the trend for people to change jobs more times in their career and expect more flexibility in their careers will continue. Candidates with highly specialized skills will continue to enjoy higher demand and, therefore, more options and better leverage in negotiating compensation and other employment conditions. While there is also already a trend toward people working longer and more older workers remaining in the workforce, an important potential change in the face of the labor market in Japan is whether increased diversity in terms of gender and nationality will develop. This diversity element remains to be seen in my opinion.

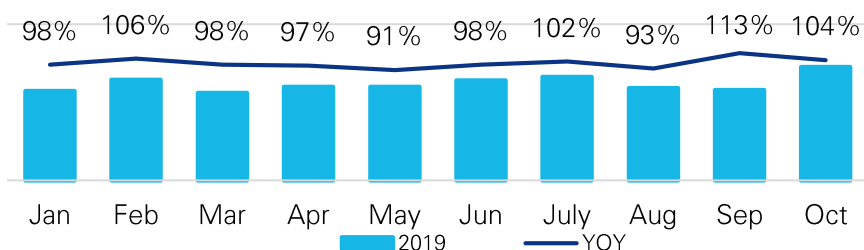
■ The technical fields gaining attention

In general, I think that in Japan there will continue to be increased demand in service oriented or high-tech sectors and decline in traditional low-tech manufacturing demands. For example, demand for healthcare will remain high and the opportunity for cutting edge medical technology to capitalize on sophisticated manufacturing capability and high demand in Japan should continue. Also, demand for high specialized information technology skills will continue to be high as things like innovation in IOT, evolution of 5G networks, developments in internet security, and reliance on data, AI, and machine learning continue to influence traditional industry sectors such as finance, consumer goods, and industrial manufacturing.

■ How will recruitment change?

Recruitment will continue to change because of these factors as well as companies will seek to costs using automation and various HR technologies that will not only affect talent acquisition but employee engagement and retention as well. Counter to this, however, is the trend for candidates to want more flexible working arrangements and evolution of the "gig" economy where we will see more freelance oriented specialists providing services on a project basis. Japan will still likely be slower to follow this trend because of the cultural inclination toward risk-aversion and security combined with the talent shortage making companies more aggressive in retaining talent under higher commitment employment arrangements. In addition to employing technology to lower recruitment costs companies' recruitment processes in general are also evolving and moving toward larger scale solution-oriented strategies that dedicate resources to internal talent acquisition teams and/or recruitment process outsourcing solutions. For candidates the market will continue to be favorable. Naturally candidates with more highly specialized skills will have more opportunities and flexibility in changing their jobs or in being aggressively retained by their employers. Highly technical skills like those required in healthcare or technology sectors are probably the best examples of where talent shortages result in strong positions for candidates to consider numerous options and demand the best conditions.

Overall : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)

100%

3. Review of the 2019 and Outlook for 2020 by Industry and Job Function

IT , Digital & Telecommunication

**Shortage of talent in the rapidly accelerating field of Digital Transformation (DX).
Recruitment of foreign nationals on the increase.**

The cybersecurity, AI, and data science professions continued to show strong hiring demand in 2019. The increase in data analysis and security-related job openings at e-commerce, fintech, and payment companies has been significant, once again putting the spotlight on a shortage of personnel.

Since last year, Digital and Digital Transformation (DX) have joined the fields seeing further acceleration in hiring. In DX, there was remarkable job-changing from B2C companies, such as e-commerce, retail and commercial, to B2B companies. In absolute numbers, DX is seeing a shortage of experienced workers across the entire market. Companies, while feeling their way around, are starting to move to acquire candidates who have the potential to be the best. Against this backdrop, there are more and more cases of non-bilinguals changing jobs, and if someone has skills in languages other than Japanese, such as English or Chinese, then there are also many cases of them succeeding in finding new opportunities. However, we can also find many companies that have not succeeded in their recruitment. These include those with budgets that cannot keep up with annually rising salaries, which see candidates snapped up by companies offering larger annual salary and stock options.

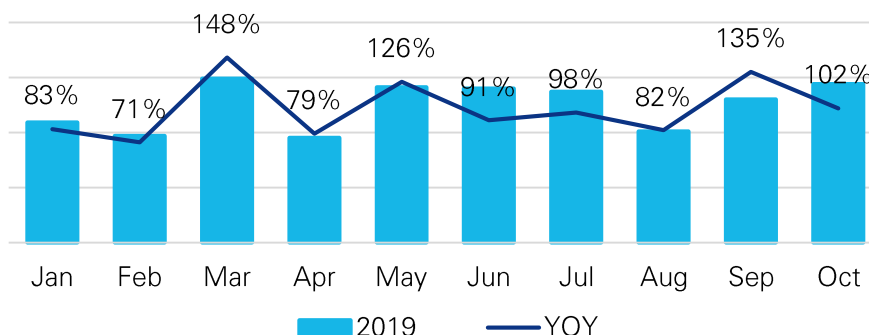


Vice President
Takeshi Kitsunezaki

Software and cloud companies continue strong performance in 2020. Early information gathering is key to successful recruitment.

Fintech companies, payment companies, software companies in the life sciences (known as “health tech”), and cloud-based companies (typified by SaaS) are expected to maintain strong hiring and capital / personnel investment in 2020. In addition, in fields such as security, data science, AI, and deep learning, the inflow of talent from overseas is expected to continue. With large M&As taking place in 2019, it seems likely that a certain number of candidates will appear in the market next year as a result of the restructuring. As such, it will be important to start market research and information gathering on job-changing at an early stage. DX and security are still a long way from market maturity, and we can expect the market to continue changing going forward.

IT, Digital & Telecommunication : Trend in the number of Jobs and YOY comparison



Manufacturing, Industrial, Automotive

High number of job openings in IoT, AI, and robotics sectors. Active recruitment of management-level personnel and foreign nationals.

Despite some differences across the various sectors of the manufacturing industry, the number of job openings in the IoT, artificial intelligence (AI), and robotics sectors has remained high since 2018. Notwithstanding the decline in the global sales volume of the automobile industry and the temporarily depressed availability of jobs as a result of the ongoing US-China trade conflict, there has been an overall trend of recovery owing to technological progress, the expansion of the autonomous driving and EV (electric vehicles) markets, and rising demands in the course of achieving MaaS (Mobility as a Service). As a common trend across the entire manufacturing industry, there have also been active efforts to go beyond the recruitment of bilingual employees in technical domains to hire foreign employees as well as foreign skilled professionals regardless of their Japanese proficiency. Due to steady capital flow from the favorable economic outlook, recruitment of management-level personnel regardless of occupation is also actively undertaken by foreign companies, Japanese SMEs, and venture companies that have acquired investment opportunities. There is also an increasing number of employees moving away from large companies regardless of their age as they are attracted to qualities such as having authority and discretion in performing their work, a higher speed of decision-making, and active involvement in the establishment of new businesses.

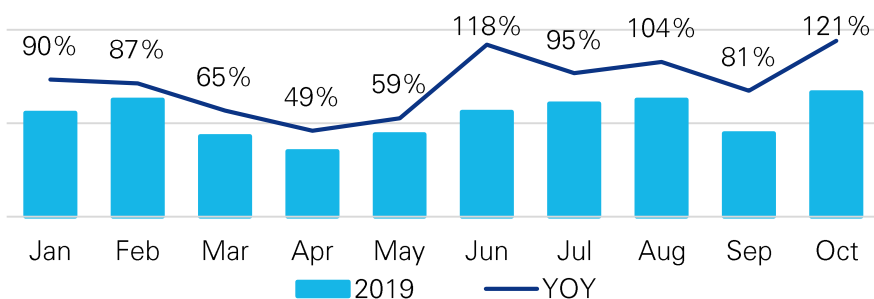


Associate Director
Aki Nagashima

Acceleration of recruitment due to the growth of next-generation technology. Expected increase in the recruitment of engineers in the domain of IoT-associated services.

The manufacturing industry which is responsible for 20% of the gross domestic product (GDP) has embarked on a form of manufacturing that is entirely different from conventional methods such as traditional craftsmanship, with its leading companies embracing the introduction of industrial robots as well as the utilization of IoT and AI technology. This trend is also spreading to SMEs that form the core of Japan's manufacturing industry and is expected to accelerate further as we approach 2020. A variety of adaptive services that originated in the IT domain have extended their reach into the manufacturing industry, which is now well-equipped with 3D printing subscription businesses, affordable IoT tools that utilize computers and communication devices, and SME-oriented services developed by major companies. With the entire manufacturing industry gravitating towards IoT, more intensive recruitment of highly skilled engineers such as data engineers and R&D personnel who process massive amounts of data can be expected.

Manufacturing, Industrial, Automotive : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)

85%

Medical Device, Pharmaceutical, Life Science

Bringing liveliness to the “Health Tech” sector. High demand for work-ready personnel, with a bias toward the most popular talent.

Continuously from 2018, we noticed the employees in this sector being offered or applied for early retirement program. In addition, due to concerns about the time cost of developing new drugs, there was a prominent trend of companies aiming, as a business strategy, to expand their business through M&As. Specifically, companies that produce products in the cancer and rare disease sectors, which are expected to come into demand in the Japanese market, are attracting more attention. In the medical device industry, the term “Health Tech” is now heard on a daily basis, and the field of “medical care x IT” is showing dynamism.

Although recruitment demand from companies is flat, there is now an even stronger tendency than before to demand personnel who can make an immediate impact. Conversely, we can also see a number of companies that are struggling to recruit due to an ongoing situation in which single candidates receive job offers from multiple companies. In addition, the number of companies that are introducing RPO (Recruitment Process Outsourcing) in order to strengthen their in-house recruitment capabilities has also increased. For the job hunters, meanwhile, there is an increasing public awareness of job-change activities themselves, and while the number of people who want career advice has increased, it appears that few are thinking clearly about the future of their careers.

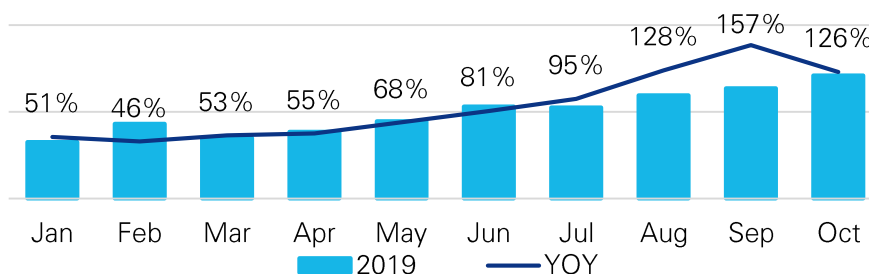


Senior Team Manager
Shin Arita

Demand in the quality assurance and safety sectors increases ahead of the Tokyo Olympics. IT and digital sectors face personnel supply difficulties.

2020 is expected to see no changes to the broad trends in the medical equipment and pharmaceutical industries. However, with the Tokyo Olympics coming up, there is predicted to be an increased focus on the quality and safety of the products circulating within Japan. As such, demand in the quality assurance / quality control departments and safety departments of the relevant companies may increase. Other recruitment needs include the growing demand for those with experience in the IT and digital sectors across the life sciences industry. Specifically, due to the small working population of people in the fields of strategic planning using IT systems and R&D using AI, the balance between supply and demand will be further disrupted. Consequently, in a few years time, we can expect a gap to appear between those companies that are able to recruit experts in these fields and those that are not. Similarly, as polarization is also underway among job seekers, a gap will develop between those who manage to change jobs as they wish and those who do not. In particular, we can expect those job seekers who have consistency in their career so far, and who possess the experience to adapt to future fields of high demand, to continue receiving job offers from multiple companies.

Medical Device, Pharmaceutical, Life Science : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)
79%

Banking & Financial Services

The real estate industry is expanding. So too are opportunities for those with experience in financial services looking for a change of career.

In recent years the financial services industry has seen remarkable expansion in the real estate sector, including hospitality, real estate investment, and logistics real estate. While securing employment remains difficult, the number of positions available for those seeking a change of career is up from last year's figures. As in 2018, there continues to be a high demand for front office sales personnel. In a bid to keep operating costs down, businesses are increasingly managing middle and back office operations from overseas (India, Hong Kong, and Singapore).

Compared with the previous year, we are seeing more and more candidates wishing to leverage their experience in the financial sector in the consulting and financial technology industries. With an ever increasing number of businesses entering the finance and cashless payment service industries, there are plenty of opportunities for career change, albeit in an increasingly competitive environment.



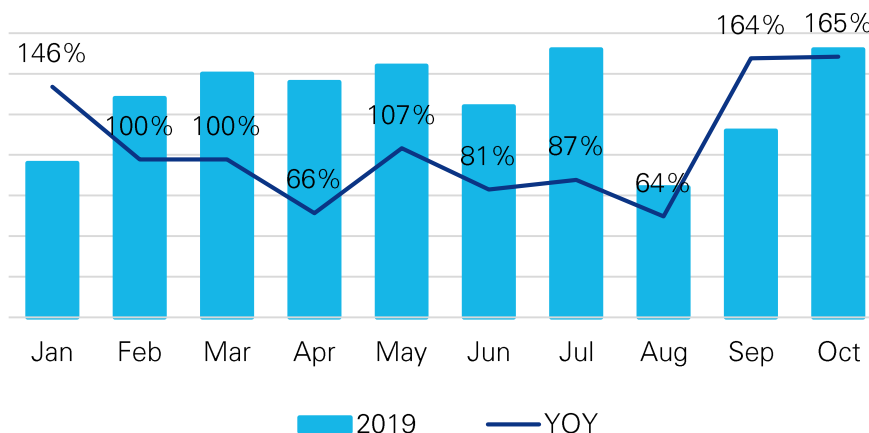
Team Manager
Yusuke Genma

New businesses face ever greater demands in the form of audits and regulatory compliance. Flexibility in the face of new challenges is the path to career development.

It is predicted that in 2020 the recruitment needs of startups which combined their existing financial services and IT will continue to increase. Candidates should be free from pre-existing concepts, and rise to the fresh challenges of a new position within an ever-changing market. This kind of attitude is anticipated to pay dividends when it comes to future career advancement.

From the beginning, opportunities for career change within Japan's financial sector have been overwhelmingly confined to mid-level and senior layers. However, we are currently seeing a proliferation of new businesses, and as a result, the demands of risk management, auditing, and compliance sectors are likely to increase. It is likely that Certified Public Accountants (CPAs) and USCPAs, along with other qualified, skilled candidates with experience in the financial services industry will continue to be in high demand over the coming years.

Banking & Financial Services : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)
98%

Consumer Goods & Retail

Consumption from inbound customers boosts employment High value placed on ability to analyze and utilize data.

This was a year in which the need for recruitment increased, especially in fashion and cosmetic retail businesses and the travel industry (particularly OTAs (online travel agencies)), in response to the consumption trends of inbound customers industry-wide. Demand was diverse: from bilingual sales people in stores to product managers within the marketing domain, and digital marketing.

As a new trend in 2019, recruitment for startup companies under the umbrella of major group companies led to excitement for a time; however, the outlook for business risk and working conditions led to some concern. Even in the case of sales positions (for which it is relatively difficult to find skilled English speakers) and for positions that require more networking skills, there is a tendency to require skillsets which can utilize the big data collected within a company; analytical ability and data-driven planning ability have become an evaluation criteria in interviews.



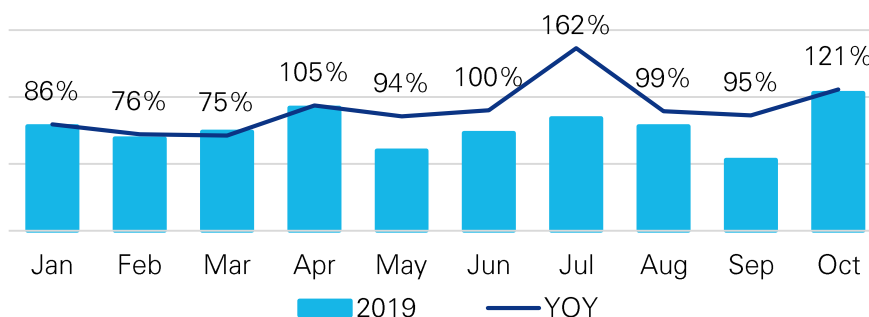
Team Manager
Toshiyuki Takahashi

The demand for bilingual human resources has further increased, with a view to expanding overseas. The ability to proactively learn English and digital skills is required.

As we enter 2020, and the traditional marketing sector in Japan becomes more and more saturated, we believe that Japanese companies will focus on securing bilingual talent with the objective of international expansion. Furthermore, whether a company is Japanese or a foreign capital firm, the establishment and reinforcement of digital sales channels at manufacturers is accelerating, in alignment with the rise in the e-commercialization rate of B2C businesses within Japan (6.22% in 2018, approximately twice that of 7 years prior *1). We expect the number of recruitment projects to also increase further, for roles such as in-house e-commerce start-up managers, mall managers (Amazon, Rakuten, etc.) and cross-border e-commerce managers. In terms of new business for the coming year, there is considerable focus on recruitment trends for eSports (electronic sports), casinos and IR (integrated resorts). We believe that in these sectors, in addition to recruitment of onsite talent for operational-side, there will also be increased hiring for marketing in terms of incentivizing inbound customers, digital platform adoption, and branding. As usual, there is an ever-increasing demand for candidates who possess English-language and digital skills. Candidates need to take action to prepare themselves for career changes, by gaining skill sets they would not normally acquire within the course of their ordinary work - both by raising their hand within their current company and proactively getting involved in company-internal projects, as well as attending external seminars on digital upskilling, etc.

*1 "Market Survey on Electronic Commerce" (2019), Ministry of Economy, Trade and Industry

Consumer Goods & Retail : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)

98%

Consulting

The world is focusing on strikingly growing the Japanese market. Talent acquisition and business success now dependent on changing how we work.

Even compared with 2018, the growth rate of consulting firms' Japanese subsidiaries has reached a strikingly high level. Even among firms that have branches in multiple countries, almost all of them focus on their Japan branches as they have the first or second highest growth rate. Requests are continuing to increase from businesses that want to commit to the development of business using new technology such as AI, IoT, blockchain, AR/VR, drones, etc., and the current state of affairs is that the investment needs of new businesses, rather than existing ones, are continuing to increase. In the labor-intensive world of consulting, it is always difficult to meet the needs of customers that will not increase staff; compared to last year, the number of hirings is increasing.

As it is becoming top priority to continue hiring while decreasing the number or retirees, there is an increasing number of companies that are improving the circumstances of excessive overtime working and a male-focused workplace, which were bottlenecks up until now, and making arrangements so that employees can build up their career for the middle to long term, have flexibility for way of working, hire a diverse range of people, and maintain a good environment for learning at work. While the severe conditions where one must hire ready-to-go employees or else a project isn't going to take off has existed before as well, depending on a company's scale, as the number of companies that succeed by opening up their gates to more employees is increasing, a difference is beginning to appear between those companies with clear success and those that do just a little better than the status quo.

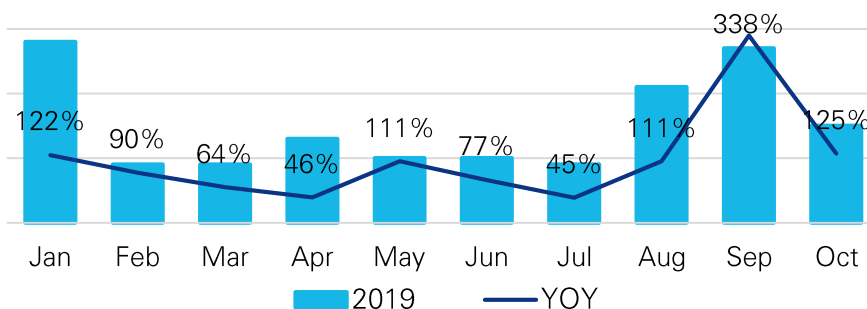
Large scale hiring plans estimated to continue for some years. There is a large need for experienced candidates with a strong desire to learn.

In an opaque and VUCA business world, companies are frequently turning to consulting firms and their concentrated know-how and expertise, in order to find even the smallest competitive advantage, in order to increase the rate of success for their business, requests from companies are concentrated to consulting firms with an abundance of know-how. This pattern is expected to continue on from next year unchanged for two or three years. Already at the present time, as hiring plans of each company go into the hundreds or thousands of people, attracting talent is estimated to become more difficult. For that reason, it is becoming important to consider hiring those who, although without experience, "are sharp and able to work with customers" as a base. These are circumstances where the need for experienced personnel will continue to increase. Among the candidates, those who are sought after are those who focus on "resolving the management challenges of various companies" and have the intention of prioritizing one's future career path (learning/growth) rather than one's own short term success.



Team Manager
Yu Hiraoka

Consulting : Trend in the number of Jobs and YOY comparison



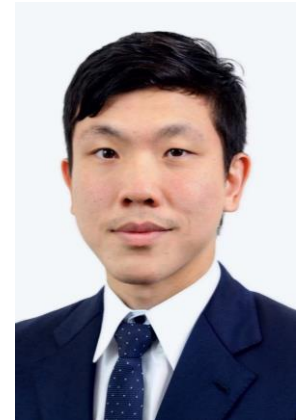
YOY, total number of Jobs (Jan. – Oct.)

97%

SCM (Supply Chain Management)

An intense scramble as Japanese global corporations begin recruiting bilingual talent.

Supply chain is a space where it is relatively stable in the sense that there is never an abundance of roles but it does not drop off either due to a slowing economy. As the economy has been strong, the number of jobs has been quite steady and strong. Generally speaking however, the level of supply chain and expectation of supply chain operations is increasing across companies. More companies are now looking for candidates with stronger analytical ability. One larger trend in the last few years that has made it harder to companies to recruit strong talent has been that global Japanese firms are now trying to tap into the same bilingual global talent workforce that MNC traditionally have hired from. This has made it more competitive to recruit top talent.

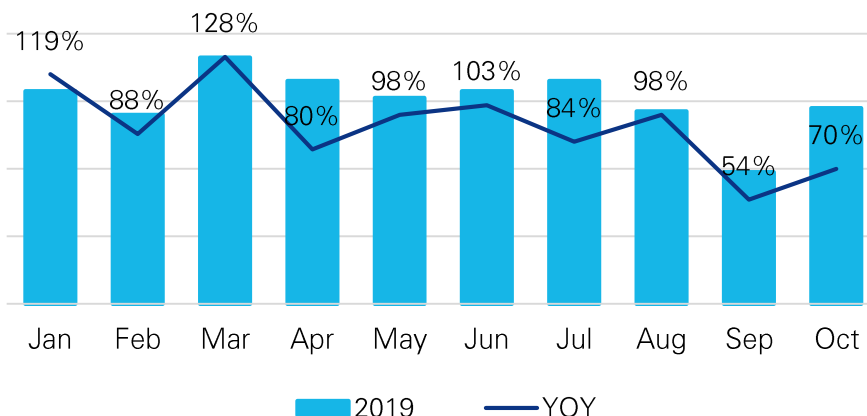


Team Manager
David Hsu

The expansion of SCM roles such as operations automation and has led to higher demand for highly-skilled candidates.

SCM will continue to grow in importance as companies recognize the true value of this function. Some areas that we see a higher future demand are roles in leading the automation of warehousing and logistics operations. Candidates who have a mix of engineering ability and programming skills will be in high demand. Further down in the future, there will be an increase in demand management as companies focus on the synergy between their marketing and sales functions with supply chain. Supply chain professionals will also have to play a larger role to improve sustainability and to minimize the negative environmental impact that may result from the production and transportation of products.

SCM (Supply Chain Management) : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)
90%

Human Resources & General Affairs

Welcoming the era of promoting “Dynamic Engagement of All Citizen”, increase in businesses easing restrictions on the age of candidates.

In an era where living to 100 years old becomes more commonplace, and promoting dynamic engagement of all citizen, there is a continued increase in the number of companies that are paying less attention to the age of candidates. Job seekers are seeking diverse working styles and telecommuting, in particular, stands out as a common demand. Telework and flex time systems are appealing to employees and has a strong connection to employee retention (decrease in resignations). As multinational corporations and matrix organizations must communicate with many stakeholders both in Japan and overseas, people in the human resources departments in foreign capital companies are required to possess as both Japanese and English communication skills. In one example, a senior HR person from a foreign company was hired as the HR manager of a Japanese company in a move towards attracting the best talent in the market. Overall, the number of jobs that improve employee relations by encouraging employee engagement, and jobs that promote employee development with growth in skills specialization has increased since last year. In a fiercely competitive talent acquisition market, we can see that companies are focusing more on employee satisfaction and individual talent growth.



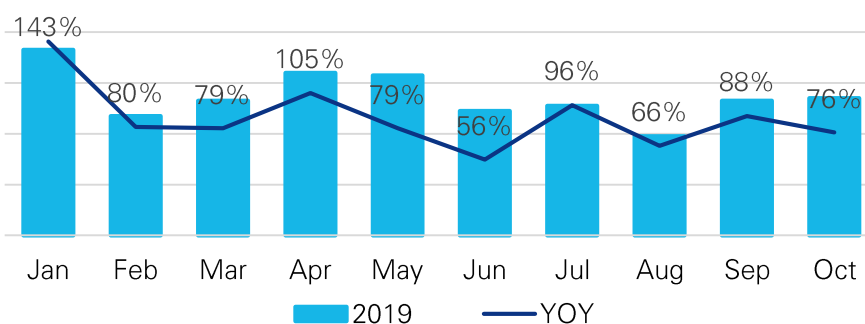
Team Manager
Akiko Nakazato

Higher demand for HR talent who creates new value. Recruitment needs expected to continue in all fields in the future.

In response to this trend of rapid changes, there is an increased demand for experienced HR talent who can respond to changes in M&A and business models. We see a higher demand of a role which can integrate HR systems such as job grading, performance appraisals, compensation, and HR operating systems to create new value. Additionally, work specialization has increased, and in addition to employing recruiting experts with corporate experiences, there are more and more examples of companies hiring consultants from recruitment agencies. Since HR has a wide variety of roles such as direct sourcing, creation of internal referral systems, global information sharing, recruitment branding, utilization of recruitment information system, introduction of an RPO service, staff management, budget management, etc., candidates are expected to be equipped to take the initiative in these areas.

There are recruitment needs in every employment field, including in HR functions (recruitment, human resource development, benefits), for HR generalists (HR business partners, HR managers), etc., and this situation is expected to continue in the coming years and beyond.

HR & GA : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)
84%

Accounting & Finance

A rising demand for expert bilingual candidates with the expansion of foreign-owned corporations in Japan.

The market is still very active due to a positive business environment in Japan. There is a high demand for bilingual professionals with accounting and finance skills. However, automation, off-shoring and outsourcing continues to slowly but surely reduce the requirements for accountants in Japan. The highest demand is for candidates with financial analysis and business controlling skills. Because the market environment is good in Japan, foreign capital firms have increased their interest in expanding their business and market share in Japan and so they need financial analysis skills to decide where, how much and how to invest money. The increase to the consumption tax means companies need to re-evaluate their pricing and, as such, they need financial analysis skills to understand the risks and how much to potentially increase.

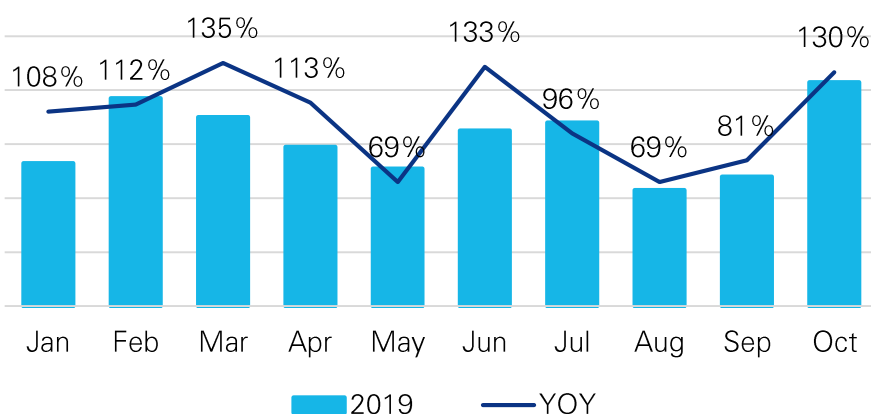


Team Manager
Justin Kamihara

Salaries are rising with demand. The demand for financial analysis skill exceeds that for Japanese language skills.

As usual, candidates who are early in their career and who are perceived to have significant growth in front of them are most highly desired although they often do not yet have the depth of analysis skills or the communication skills required to strongly influence senior management onshore or overseas. Senior candidates with strong analysis and communication skills, even with lower Japanese skills, are in quite high demand to lead accounting and finance functions and partner with senior management. Japanese companies increasingly expanding overseas is leading them to hire more candidates from foreign capital companies to help with financial control and analysis for overseas subsidiaries which is putting additional stress on the "global" talent pool. All of the above means that salaries are rising and that most candidates can expect to get a nice salary increase if they are moving to a similar or larger role.

Accounting & Finance : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)

103%

Legal & Compliance

In a deadlock for a promotion at a major law firm. Rising demand in new fields such as Fintech.

Legal : Following the relative inability of law firms to promote senior associates, due to top heavy situation with an already substantial number of partners at most of the BIG 4 Japanese law firms disallowing internal promotion, we have noticed the establishment of several small/mid-size local law firms resulting into numbers of "Bengoshi" (for the most part) leaving their initial employers. This trend was backed-up by a good economy. The market has also noticed an increased appetite for in-house counsels recruiting activities at mid/large size companies, as a result of local and global cost reduction strategies, hiring internally being more cost-effective in terms of legal fees than requesting the services of a law firm.



Team Manager
Nicolas Rumebe

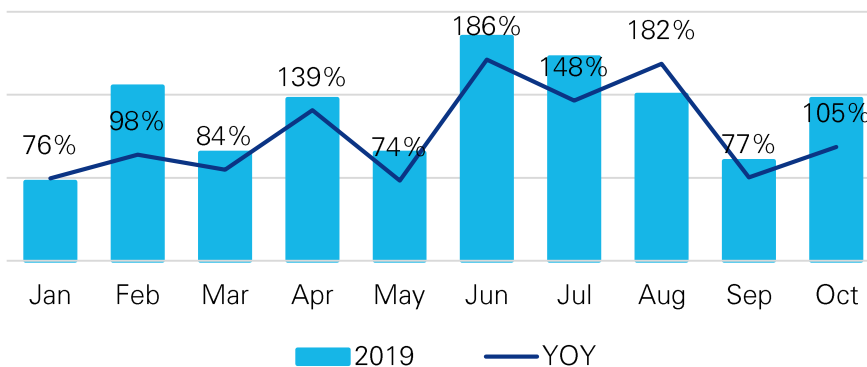
Compliance : While traditional financial services companies have slowed-down their recruiting activities (e.g. European investment banks) due to poor global financial results as well as the emergence of the fintech sector, other industries such as manufacturing and IT are steadily becoming more regulated, hence the need for hiring sophisticated compliance professionals, coming from traditional financial services companies.

Increase in investigative and information processing abilities with the advancement of AI. Concerns regarding a decrease in employment opportunities for people without qualifications.

Legal : Similar trends as 2019 will be observed in 2020. A possible reduction of non-qualified lawyers (i.e. legal specialists and paralegals) may occur too due to the emergence of smart contracts while AI is researching and processing legal information faster than any paralegal could.

Compliance : Following 2019 and because financial services are employing the most experienced and seasoned compliance professionals, a compliance population shift will naturally occur to the already regulatory heavy life sciences' sector as well as fintech, IT and manufacturing.

Legal & Compliance : Trend in the number of Jobs and YOY comparison



YOY, total number of Jobs (Jan. – Oct.)

114%

Contract Professionals : Flexible Staffing Solutions

Due to the difficulty of hiring permanent employees, temp staff hiring is on the rise. Motivation to return to work is also up among the stay-at-home parents and "50s and over" demographics.

In 2019, hiring top globally-minded talent as permanent employees is an increasingly challenging prospect, and more and more businesses are relying on hiring non-permanent employees in an attempt to make up for staff shortages. For this reason, there was a greater need for individuals with highly-specialized skills in the non-permanent employee market than before, and hiring budgets rose 3 - 5% from the previous year. There was a tendency to hire candidates with limited experience but high potential, along with an increase in the number of candidates over the age of 50 finding employment. Although the trend of valuing specialization and strategy grew stronger in all industries and job functions, increased demand was especially notable in two areas where it has previously been low, FinTech venture companies and digital marketing positions. As candidates are affected by public opinion of promoting diversity and support of working style reforms, drive to rejoin the work force has grown among the "working mother" and "over 50, second career" demographics. In addition, more and more companies turned to foreign staff to meet hiring demands.



CONTRACT PROFESSIONALS
Senior Team Manager
Kango Nakatake

The need for non-permanent employees affected by economic trends. Higher demand for talent who can be active on a global scale.

The non-permanent employee hiring market in 2020 is expected to be drastically affected by economic trends. If the economy remains strong, the likelihood of top talent working short-term positions being hired as permanent employees by other companies will increase, which will likely increase the number of employers looking to convert temp staff into in-house employees to avoid losing their top talent. On the other hand, if the economy weakens, more and more companies will be increasingly cautious about hiring permanent employees, which is expected to increase the demand for temporary hires. As for what companies are looking for in candidates, the keywords "global perspective," "practical skills," and "strategy" will likely increase in importance regardless of economic trends.

In terms of hiring interest, the needs of technology companies (especially software and digital companies) and medical-related companies seem likely to remain strong. However, this interest will diverge depending more on the initiatives of individual companies than whole industries. Recently, because the stage for non-permanent employee is expanding and the salary gap between them and regular employees is also shrinking, increasing numbers of candidates are choosing the irregular employee path. The majority of companies which can adapt to changes will probably proactively and strategically carry out hiring of irregular employees. For this reason, the tendency of employers to require independence and adaptability in addition to language ability and global-mindedness for hiring non-permanent employees is likely to grow stronger.

Outline of Contract Professionals

Bilingual and highly professional talent dispatching business for global companies

Our Service : Temporary employment, Contract employment, Temp-to-hire, Outsourcing, and Senior advisors

Bilingual(Japanese/English)

Advanced Technical Skills

High Career Working Mother

Senior Talent over 50's

Urgent Hires

Fixed-term Projects

Executive Search : Senior Leadership Role Recruiting

Expecting a leader who can let their vision and mission permeate and lead the business to success.

The Executive search team is seeing a few trends in the searches we are working on. Interestingly, the background and industry specific profiles are continuing to be less important than the core skills, personality and culture fit that a senior leader can bring. Flexibility, international exposure and communication ability, not only in terms of language but in terms of ability to articulate a message, a vision and then deliver on it.

Leaders need to be aware of and experienced in issues surrounding Talent; how to attract and how to retain staff, AI, CSR, Sustainability, Diversity & Inclusion, if they want to be successful. Sustainability and the "rise of ethical consumers" will have an ever-increasing impact on how companies operate and will see more corporations putting sustainability at the core of strategy and operations to survive and thrive.



en world
EXECUTIVE SEARCH

Director
Scott Wallace

"Sustainability" has become a key corporate issue. The rising importance of the CSO (Chief Strategy Officer).

For the Executive team we are well placed to discuss and also predict changes to the market based on the roles we are working on and the people we are speaking to. We are aware that the subject of Sustainability has become a key focus for all businesses but exactly what their internal focus will be and more importantly, 'who' will be the person or team leading this within the company, is yet to be clearly defined. We will see the rise of the Chief Strategy Officer (CSO) as a more serious and senior role in companies, rather than a tag on to CSR initiatives in place a renowned multinational retailer, is a leader to this end, where globally, all CEOs have been given the joint role and title of CSO. The challenge will be finding the right people and then giving them the right training. This is something that our team will be focusing on in 2020.

Outline of Executive Search

en world Executive Search partner specifically in leadership recruitment and focus on senior leadership roles for Global Companies.

- We offer Retained Search, Exclusive Search and Container Search solutions
- We cover Chief Executive, Officer and BOD, Heads of HR, Finance, Marketing, Sales and Strategy, Supply Chain and Operations, IT and Legal Risk and Compliance.
- Our approach ensures talent pools are mapped, appropriate candidates are selected, prepared and introduced, ensuring a quality experience for both clients and candidates
- We provide market mapping and market analytics to further add value to our clients
- Our team is very experienced in Japan and within APAC



CxO



Country
Head



General
Manager



Director



Senior
Manager

enPower : RPO(Recruitment Process Outsourcing)

Japan's Recruitment Process Outsourcing (RPO) market is not fully developed yet and expecting further growth in line with raise in its awareness.

The RPO is a commonly used service in the United States, however, it does not seem to have really gotten a foothold in Japan yet. The RPO service entered into the Japanese market approximately 15 years ago. Although an increasing number of companies are using the service, we have seen some failed cases as successful approaches in the United States are not working in many cases in Japan as such US procedures do not match with Japanese corporate culture and hiring practices. A specific example is a case where a recruiter of RPO service is being merely seconded to a client, just like dispatching a staff to a client, and is not fulfilling the original role as ROP recruiter.

However, we are a subsidiary of en japan, a pioneer of HR space in Japan, and are well versed in Japanese market. For this reason, while we have been targeting foreign capital companies and global Japanese companies, we have been able to achieve consistent growth since the launch of our service in 2007 and have been delivering strong results so far in 2019 as we have been deploying customized services tailored to the needs of our customers. Currently, companies in various fields are showing strong interest in the RPO service, thus, we expect the RPO market to expand in Japan along with these trends going forward.



en enPower
Director of RPO Services
Samuel Nishizawa

The market surrounding talents has been changed largely over the last several years. Employers need to be flexible and equip themselves to win talent acquisition battles .

Major challenges such as talent shortages and corporate facing difficulty in hiring are background factors for pushing the growth of the ROP service. It is well known fact that talents are short supply in the market, and what I would like to emphasize is that lately the recruitment process of companies have not been able to respond to changes in the market. For example, along with the widespread use of social media, companies have more options for talent acquisition activities besides using traditional head hunting and media specialize in job placement. Furthermore, candidates have a better capability in information gathering than before, and various information they come across in their daily lives can be one of factors for deciding on career transition.

In the United States, there are some markets where once companies post jobs, they can get applications from candidates as natural sequence. However, in Japan, companies are in a situation where they still need to reach out first to candidates as they cannot find talents. We think hiring difficulties are likely to continue in 2020 and beyond. Awareness of RPO services is gradually increasing, and accordingly companies using RPO service have been on the rise. Rather than sticking to traditional recruiting approaches, companies should try out various talent acquisition services such as HR technology and RPO, making efforts for finding the right talents that fit with their corporate culture and improve success rates, otherwise they would face difficulty in securing top talents.

Outline of enPower (RPO) Services

Supports the company's recruitment process (full time)

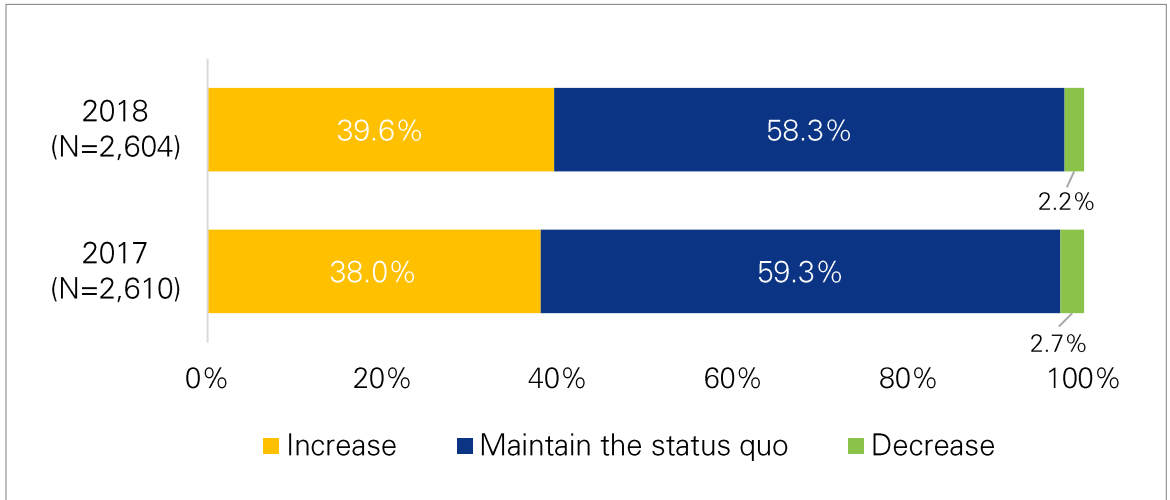
- (1) Provides the customized scheme responding to demands such as project or a specific period basis.
- (2) enPower's unique organization system, offsite team supporting onsite recruiters, improves recruitment efficiency and increases number of placement.
- (3) Proposes the most suitable candidates and solutions out of rich resources such as group Co., job board service of en japan, and HR Tech, etc.



4. Appendix

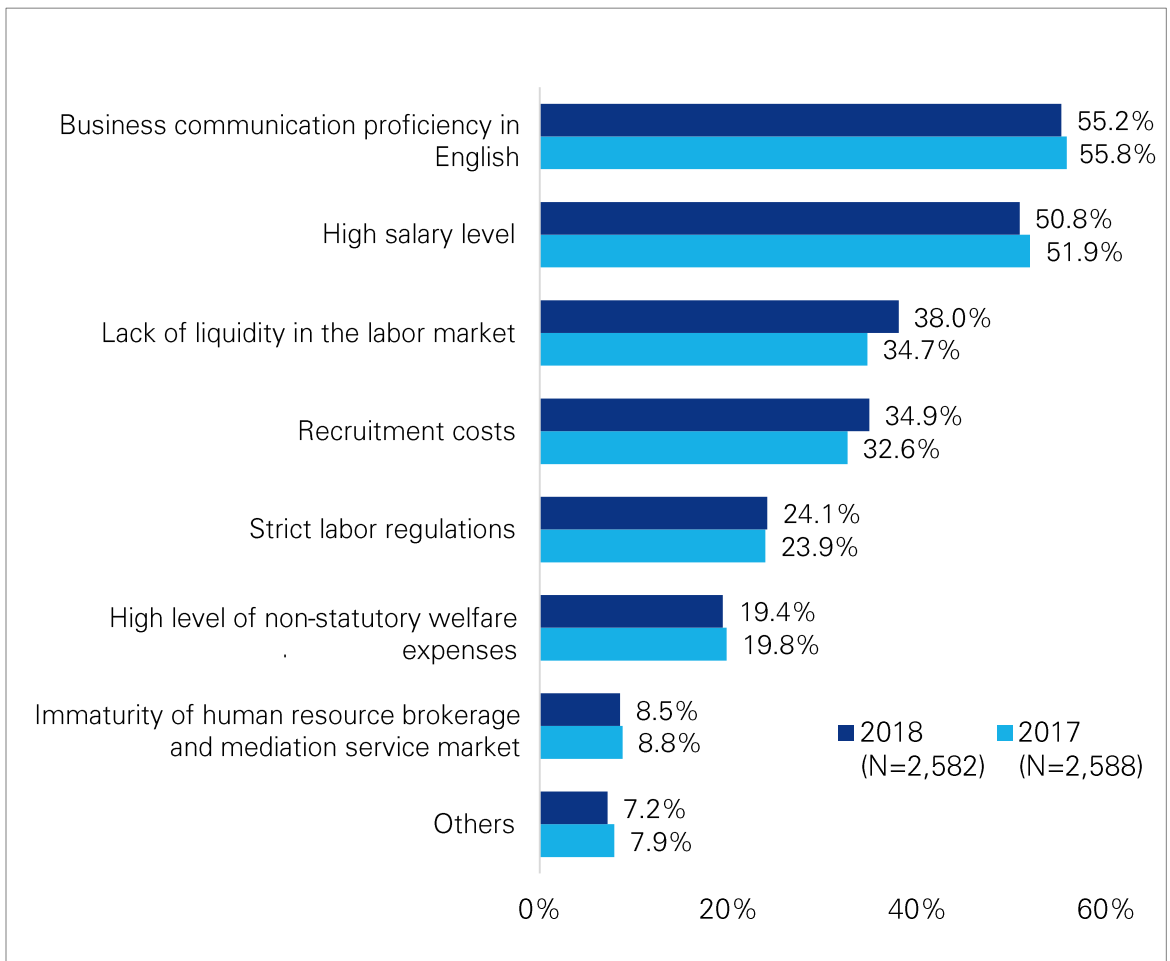
(1) Employment prospects for foreign capital companies over the next year.

About 40% of companies answered that they will “increase” their employees.



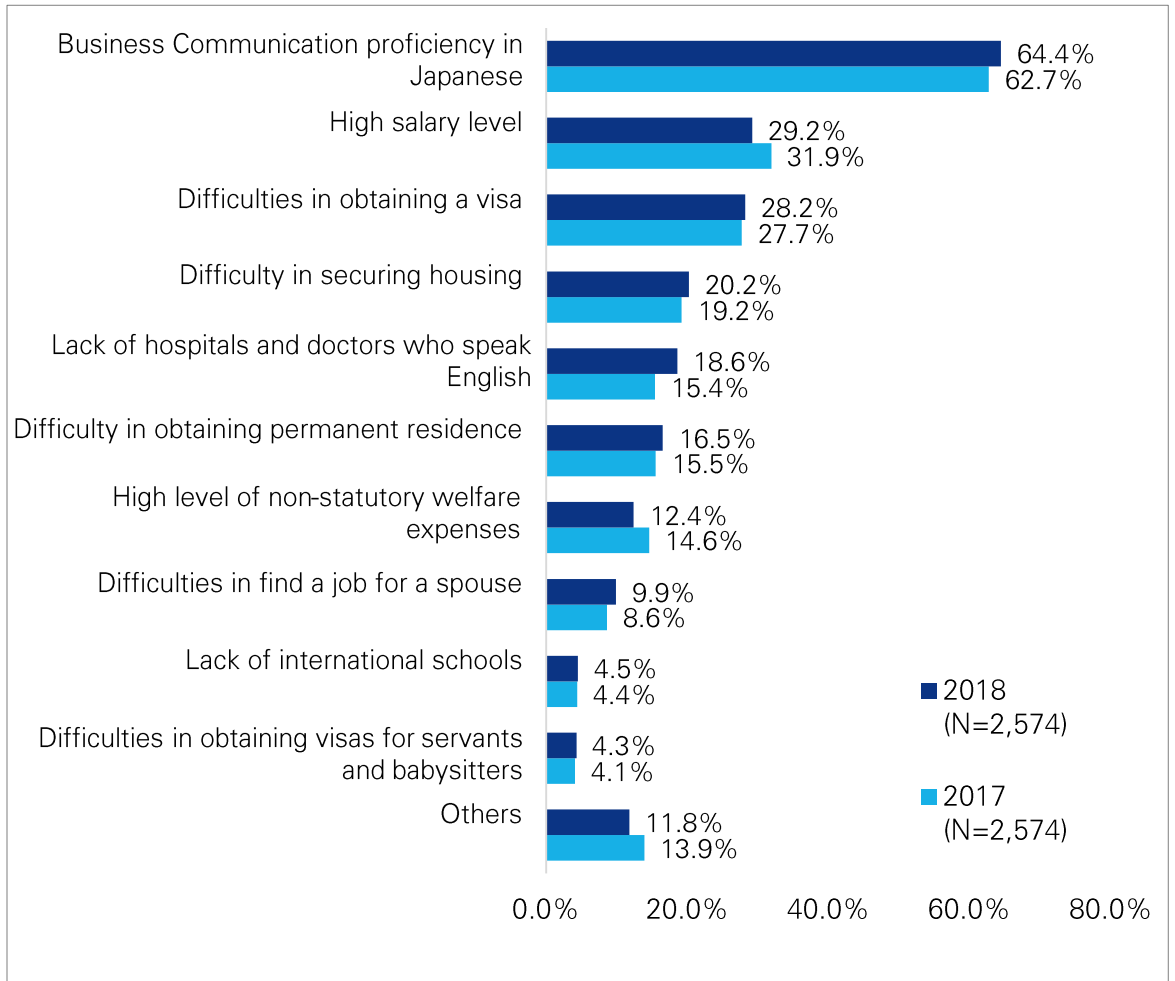
(2) Obstructive factor of hiring Japanese talent.

The first reason is “Business communication proficiency in English”



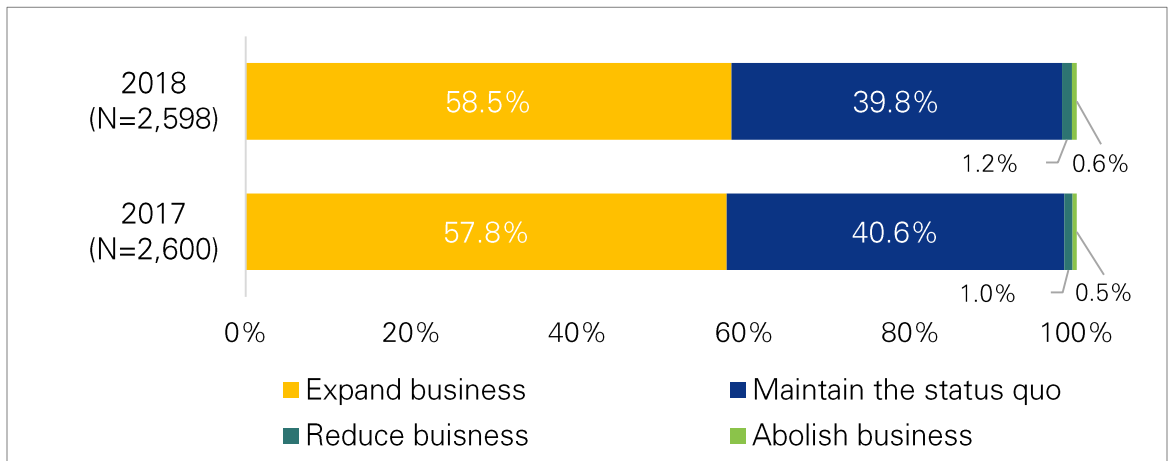
(3) Obstructive factors of hiring foreign talent.

The first reason is “Business Communication proficiency in Japanese”



(4)Future business development in Japan

About 60% of companies answered that they will “Expand” their business.



Ministry of Economy, Trade and Industry(2018) “Foreign Capital Company Trend Survey”
https://www.meti.go.jp/statistics/tyo/gaisikei/result/result_52/pdf/2018gaijyo-k.pdf