

WAW ! High-Level Panel Discussion 3 “Diversity for Growth: Corporate Management and Working Environment”

Background and Issues

It is essential to make a good use of diverse human resources to strengthen competitiveness of corporates in order to respond to the diversifying needs and values of consumers. To promote sustainable and responsible investment, there is a growing international interest in ESG investment, which values the corporates with consideration to environment, social and corporate governance (ESG) and with competency to respond to the society by utilizing their diverse human resources, productivity and uniqueness

Goal 8 of Sustainable Development Goals (SDGs) targets to achieve full and productive employment, decent work and equal pay for equal work for all men and women including youth and disabled people by 2030. The United Nations Global Compact (UNGC) also stipulates that companies should uphold the elimination of discrimination based on gender and other elements in employment and occupation.

On the other hand, according to the World Economic Forum’s annually released Gender Gap Index, Japan remains ranking at lower level; 110th place among 149 countries and 117th place in economic field in 2018. Japan has not kept pace yet with global transformation speed. The proportion of women on board positions at public-listed companies are as low as 4.1% (2018), the number of female regular employment is less than half that of male counterparts, and having other issues piled up including gender wage disparities and sexual harassment. At the G20 Buenos Aires Summit in 2018, in leader’s declaration states promoting women's economic empowerment by reducing gender wage gap and committing to promote women’s access to decision-making positions. There are some positive movements in Japan. For example, top leaders commit to promote advancement in their companies by joining “Declaration on Action by A Group of Male Leaders who will Create a Society in which Women Shine”, and the “30% Club”, a campaign which started in the UK, aiming for the proportion of women executives to become 30% in the country, will be launched this spring. However, the question is, will Japan really be able to change?

The Act on Working Style Reform will be effective sequentially from this April, which mandates acquisition of paid leave, ensuring fair treatment of workers irrespective of their employment types, and cap of overtime hours. Many companies are now promoting flexible work time and telework from home, and some have started to introduce ending nationwide relocation and on-hold system assuming possible difficulties of childcare and nursing care of family members for both men and women. Recently, some banks have set up a new system to offer positions to employees in the bank located where they have to move to, so that they do not need to retire because of relocation due to marriage and nursing care. The system is being sought to establish enabling environment for all people without sacrificing their personal lives as there are various types of family such as a single person, couple with double income, business bachelor, and family with members who in need of care or with little children.

It is urgent to develop a workplace environment where people respect each other’s differences and no bullying or harassment allowed. In recent years, obvious sexual harassment in the workplace has decreased on the surface. However, such typical cases of sexual harassment have been still often reported in many workplaces, in which one’s senior, colleagues or business clients misunderstand the respect or trust towards them as a favor, expecting to have a sexual relationship. Because of the unfair power relationship and fear of further harm to their career, victims often find difficult to refuse them, which often escalates harassment. Providing detrimental treatment and hurting the dignity of others by taking advantage of one’s superiority such as authority and status leads to loss not only to the individual but also to the company and society. Law amendments are now in

consideration, under which companies will be obliged to take necessary measures to prevent bullying and harassment at the workplace and to further strengthen measures to prevent sexual harassment as well.

In order to create sustainable ways of working for everyone, it is necessary to build a fair work environment while raising consumer awareness. As we enter the era of the 100 year life, working years could be longer, which could bring us to experience diverse lifestyles and values in a single life. Therefore, it is required to build a society where all people can adjust to changes in different life stages flexibly and fulfill their preference in work style, according to their needs. This agenda is closely linked to the Goal 5 (Gender equality), 8 (Decent work and economic growth), 10 (Reduce inequality within and among countries), and 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels) of the SDGs.

Topics

- What is the reason behind of rising interest in ESG investment internationally? What kind of approach Japanese companies are taking?
- What roles can leaders play in order to enhance diversity in the company?
- What kinds of values are necessary in a highly diversified corporate management?
- What kind of measures should be taken to build a workplace environment where harassment does not occur?
- What can be done from the standpoint of consumers in developing workplace environments where everyone can work comfortably?