

Foreword II

Gender equality is one of the pivotal management challenges and salient topics around the world. This is the #5 goal of the SDGs: “to achieve gender equality and empower all women and girls.” Women’s social status and roles differ between countries and regions, historical backgrounds, and societal institutions. The diversification of the value and meaning of work have made progress, while the common global standards and criteria evaluating corporate reputation including the ratio of female managers and female members of boards of directors have become more widespread.

Though women have long had low social standing and the workplace was dominated by men, recently the situation has been changing. This book focuses on the gender equality issue in Japanese companies from different dimensions and comprehensively covers recent topics. This is a significant achievement led by an energetic scholar, Dr. Gabriel Eweje at Massey University, with his enthusiastic research colleagues.

Since the COVID-19 pandemic has been spreading from the beginning of 2020, it has forced changes in work style all over the world. Digital transformation and introduction of remote work have accelerated in Japan as well. Flexible work style, definitive job descriptions, and open communication are needed as a prerequisite for effective remote work. As all of this requires changes in organizational structure, culture, and work conditions, it is not possible to build a new system quickly in response to the coronavirus pandemic. Rome was not built in a day. Those system changes have been slow in Japanese companies.

Japan has been facing a low birth rate, aging population, and stagnant economy for the last couple of decades. According to IMD (2020), Japan’s competitiveness now ranks 34th out of 63 countries, while it was formerly ranked 1st. The WEF Gender Gap Report (2020) ranks Japan 121st out of 153 countries. Additionally, the percentage of women in the boardroom is lower than the OECD average, and labor productivity is one of the lowest in OECD countries.

Japanese companies are being demanded to change the conventional culture by incorporating diversity into their organizations to create innovation. However,

Japanese companies have not been proactive in approaching diversity and have been determined to stick to the traditional values, which are middle-aged, Japanese, able-bodied, and male-dominated. LGBT, a relatively new term in Japan, is not well-accepted in companies. CSR has been booming in Japan as well in response to external pressure since the mid-2000s. Most Japanese companies were aware that CSR represented an inevitable global challenge, but were not able to estimate the risks of failing to strategically respond to it at that time. They reacted passively to the CSR trend, aiming to take action only to the extent that other companies did and keeping their CSR efforts to the minimum required. This attitude led to stronger mimicry, and institutional isomorphism resulted in similarities across CSR management systems.

Issues of labor, human rights, and diversity also concomitantly started to be discussed as part of CSR at that time. The work–life balance system and support system for working women were introduced, and CSR reports include disclosure of labor data. But most companies formally adopted CSR management systems, with only perfunctory compliance. Such systems do not automatically work just because they have been introduced. CSR and diversity should be strategically integrated into management processes, to strengthen responsible competitiveness. Newly introduced CSR management systems, just imitating leading companies and setting a numerical target do not work or actually change the organization. Companies should explore managerial challenges in the organization when introducing a new CSR management system. They should ask themselves why and how they incorporate CSR and diversity into management processes, review and redefine their mission and purpose, and set strategic goals in order to provide equal opportunities and a fair deal to working women.

The top management has leadership responsibility to adopt and promote a gender equality system. They should restructure the whole system, not just introduce a single support system, because labor management institutions; job description, work style, job evaluation, reward structure, communication, and decision-making approach are mutually dependent. In addition, work–life balance is not just for women's benefit, but men's as well.

Lastly, partnership with relevant stakeholders like government, industrial organizations, NGOs, and the local community is required to deal with CSR and gender equality issues. No single organization can attain an equal and fair corporate society without collaborating with other organizations.

This book offers a discussion on these critical issues of gender equality and provides new ideas for how Japanese companies should be aiming to promote responsible, competitive management systems. You will find a comprehensive picture of the current situation of gender equality in Japan.