

2 March 2023

Companies in Japan increasingly concerned about talent shortage

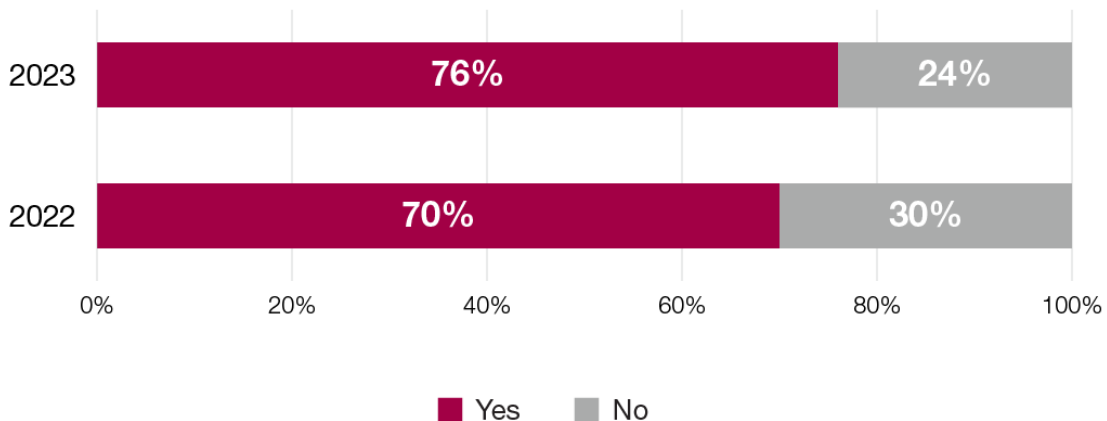
Salary Survey 2023 conducted by Robert Walters Japan

On 2 March, specialist professional recruitment firm Robert Walters Japan announced the results of its Salary Survey 2023, which summarizes hiring trends and salary levels for thousands of roles across 31 countries including Japan and survey findings based on responses from 196 companies and 864 company employees working in Japan.

Talent shortage concerns are growing among employers, more than in 2022

According to the survey, 57% of companies said they were 'very concerned' about a shortage of professional skills/employees ready-to-work, an increase compared to 48% of companies said the same in a similar survey in 2022. In addition, 76% of companies in the 2023 survey said company turnover was a concern, a further increase compared to the 70% found in 2022. Consider these two factors, it is clear that the talent shortage is accelerating.

Employer Is employee retention a concern for your company?



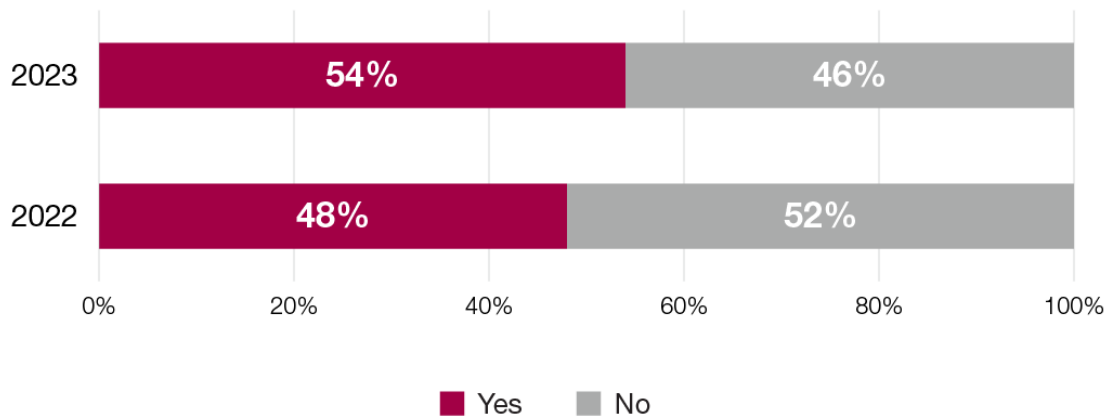
Bolstering efforts to lower turnover rate

54% of companies said they have implemented measures to lower the turnover rate of employees, up from 48% in 2022. Companies are also beginning to focus more on retention efforts.

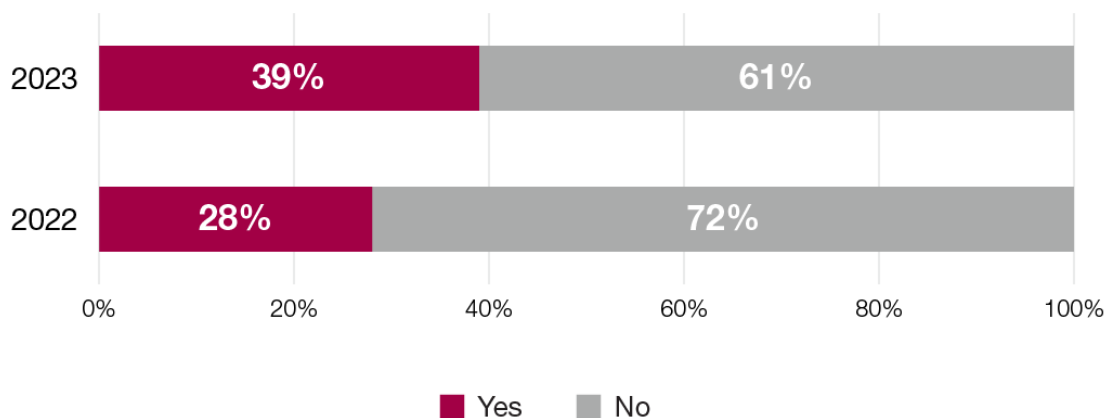
In addition, around 40% of companies are considering hiring fully remote candidates free to choose where they work from for 2023, which has started to gain traction in recent years, in order to address employee shortages and prevent skills gaps, compared to less than 30% in the 2022 survey. The

proportion of employees who are not dependent on their own remote location is around 40%.

Employer In the past year, has your company put initiatives in place to support employee retention?



Employer Have you considered a fully remote/location independent workforce to solve skill gap shortages?



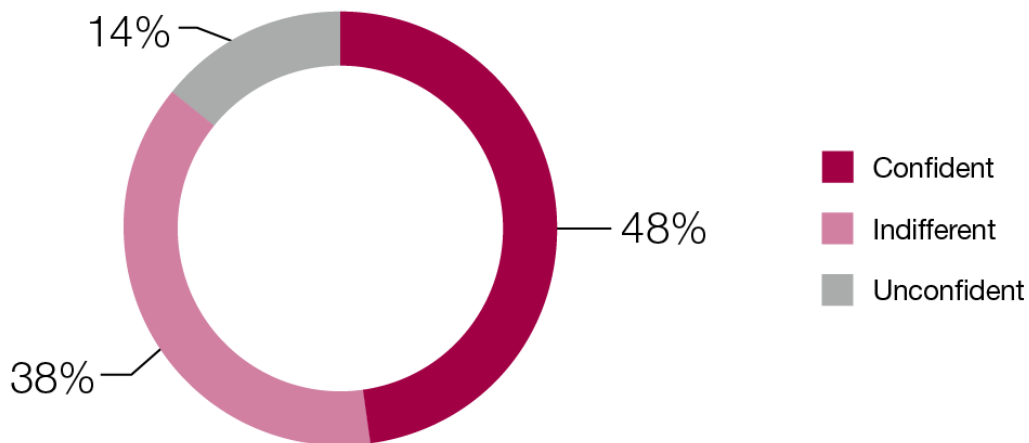
Almost half of company employees are confident about their own chances of changing jobs

In contrast, around half (48%) of office workers said they were confident about their own chances of changing jobs. These figures show that it is a seller's market on the employee side due to the shortage of talent.

However, more than half (52%) of company employees said that current recessionary concerns and rising prices would affect their willingness to change jobs, so it can be predicted that they are now looking for opportunities to change jobs. Companies will therefore need to work on measures to overcome the talent shortage in the long term rather than in the immediate future.

Employee

How confident/optimistic do you feel about job opportunities in your sector?



(Survey period: October to November 2022, Target: Domestic and foreign-affiliated companies in Japan n=196; Company employees registered with Robert Walters Japan and living in Japan n=864)

About Robert Walters Japan:

Established in London, United Kingdom, in 1985, Robert Walters is a specialist recruitment consultancy with operations in 31 countries around the world. Robert Walters Japan established its Tokyo office in 2000 and Osaka office in 2007. For over 20 years, we've been a driving force in the Japanese bilingual recruitment market, providing high quality candidates for our clients and access to the best jobs. Our consultants are experts in their respective industries and work in teams to provide recruitment consultation services across a wide range of industries and job categories.

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