

31 May 2023

Companies allowing 'side job or business' highly attractive for jobseekers in Japan

Candidate survey conducted by Robert Walters Japan

Specialist professional recruitment firm Robert Walters Japan announced the results of their latest survey¹ conducted on professionals (20s to 60s and over) working at both foreign-affiliated and Japanese companies in Japan that explores interest in having a side job or business alongside one's current job.

Companies in Japan have been trying out various initiatives to secure high-quality talent while grappling with numerous social issues affecting the country such as declining birthrate, ageing population and shrinking labour force. One such initiative makes it possible for employees to take on a 'side job or business' while they are full-time employees. This study focused on how employees would feel about being given this option if they were to change jobs.

More than 80% of companies in Japan permit or plan to permit side jobs or business for employees

Currently, 83.9%² of companies in Japan with 5,000 or more permanent staff allow employees to have a second job, or plan to do so, a trend which has been rapidly increasing in Japan since 2007, up from 46% in 2019. The Keidanren (Japanese Business Federation) believes that this may be due to the Ministry of Health, Labour and Welfare's revision of the Guidelines for the Promotion of Side Jobs and Side Businesses (published in 2006 and revised in 2008 and 2010) and Model Employment Regulations. In addition, the spread of remote work since the start of the pandemic in 2020 has created an environment that makes it easier for employees to take on extra work.

More than 50% of respondents want to join a company that allows them to have a side job or business

Overall, most working professionals surveyed are positive about having another job to support their main one.

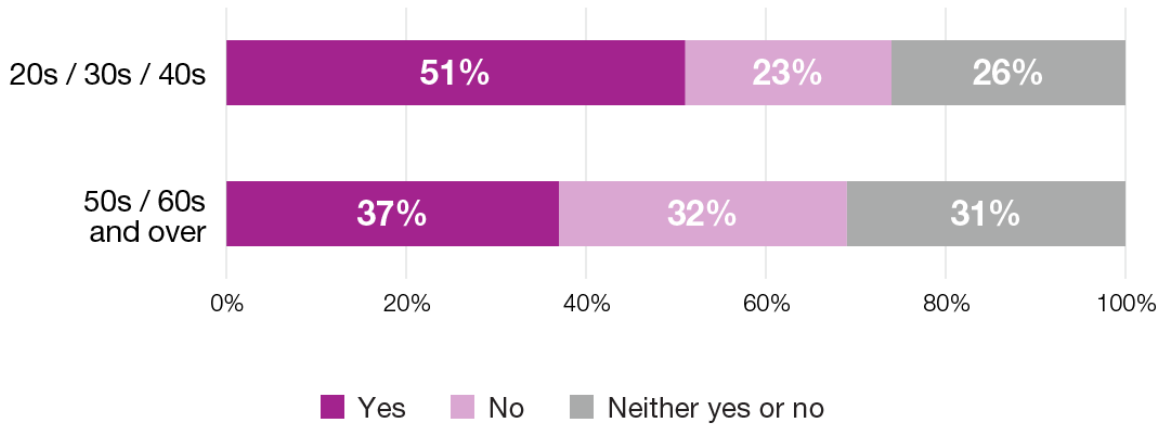
51% of working professionals in their 20s to 40s responded "yes" when they were asked if being allowed to keep a second job was a factor when considering which company to join.

¹**Survey period: 20 April - 28 April 2023**

Target group: Company employees working in Japan at companies that are registered with Robert Walters Japan; Number of respondents = 342 pax

²*Source: Keidanren (Japanese Business Federation)*

Is the ability to take on a side job or side business one of the main reasons for choosing a job?

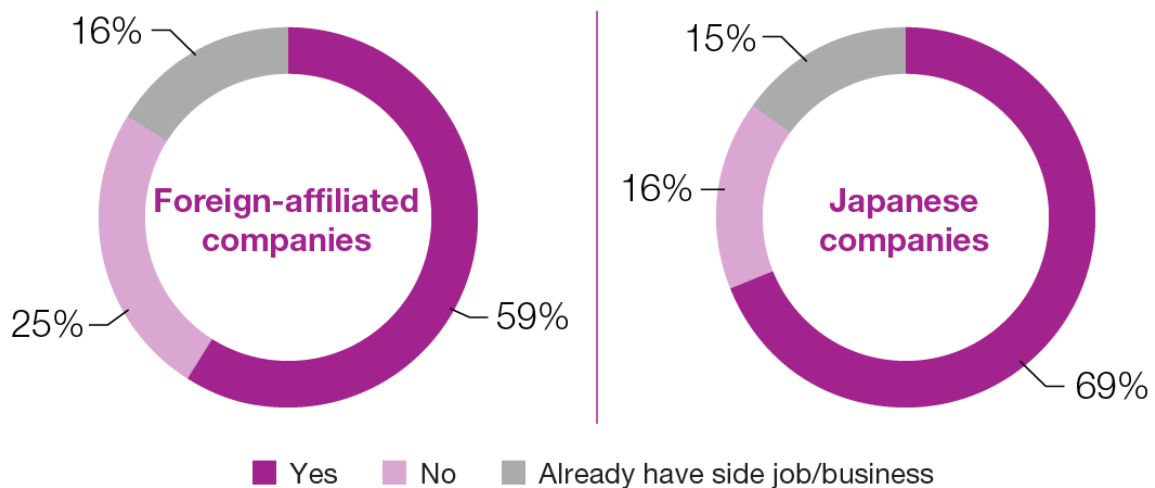


Japanese company employees are more keen to have a side job or business than foreign-affiliated ones

Around 60% of those working for foreign-affiliated companies and 70% of those working for Japanese-affiliated companies said they would like to have a side job or business. The higher response rate of Japanese affiliated company employees to take on extra work may be attributed to a lower average wage at Japanese companies compared to that of foreign affiliated one, hence the stronger interest in securing a second job.

Employees at Japanese and foreign-affiliated firms shared the same rate of respondents who answered that they already have a side job or business, both at 15%.

Would you like to take on a side job or side business?



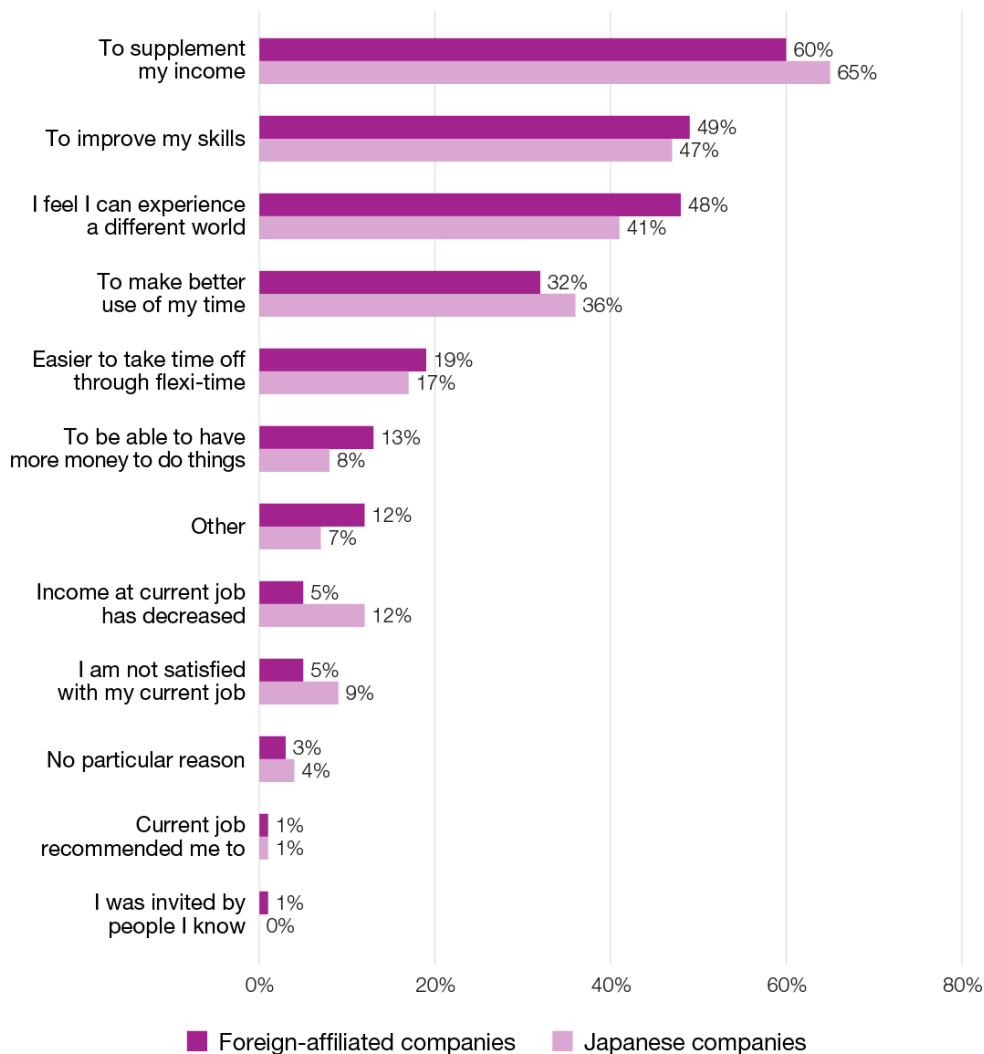
‘To improve my skills’ among top reasons for wanting to have a side job or business

We also asked respondents the reasons why they would want to have a second job or business for those not yet taking either on. The top results for both those employees in foreign-affiliated and Japanese companies were: (1) to increase income (60% vs 65%), (2) to improve one's skills (49% vs 47%) and (3) to experience a different world of work (48% vs 41%).

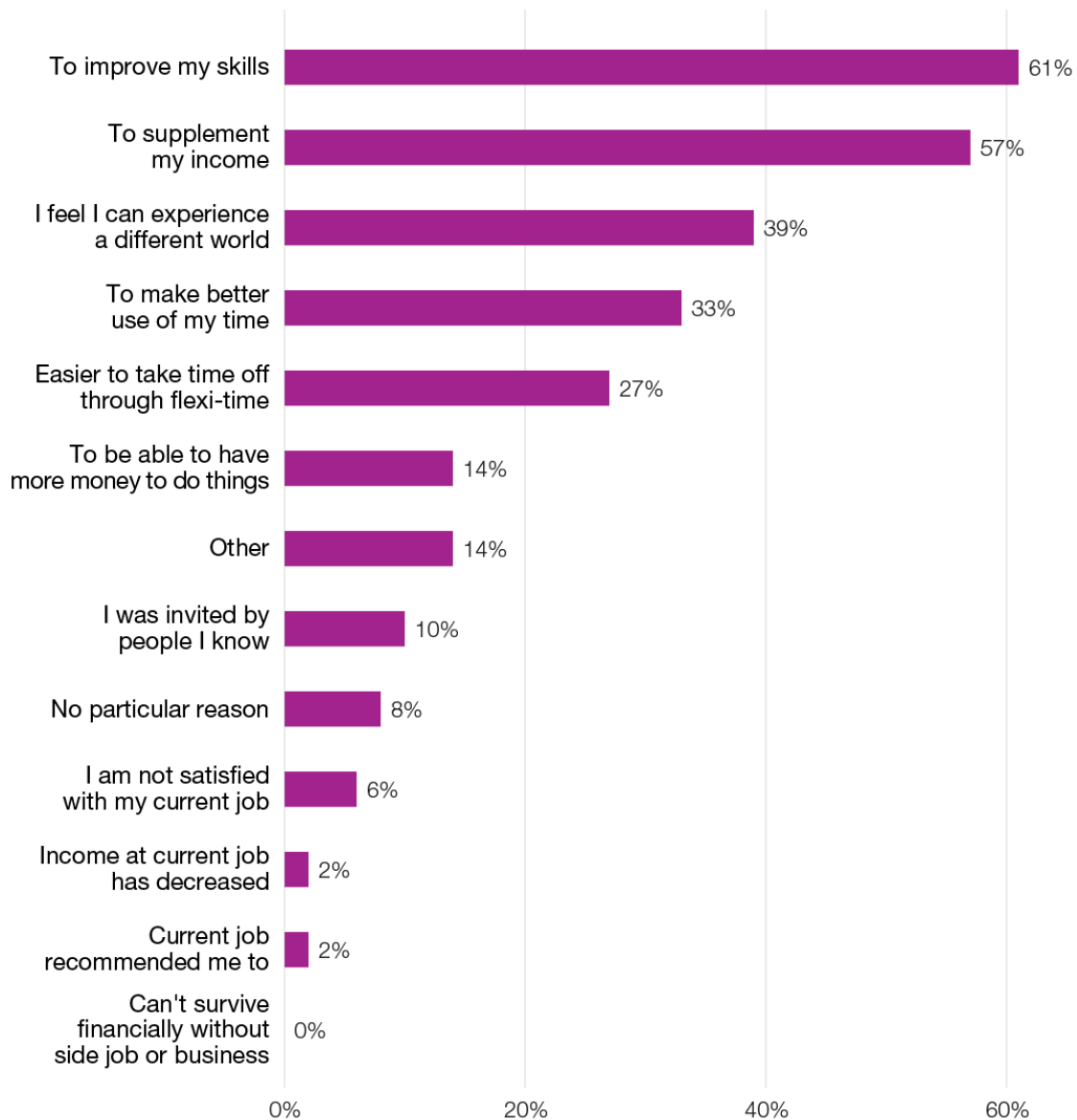
In addition, we also asked employees who already had a side job or business and 61% said the most beneficial reason to have one was that it allowed them to improve skills in areas other than those used in their current role.

As these results show that ‘improving one’s skills’ is highly regarded by employees that have taken on a second job, companies in Japan ought to take note of this and consider reskilling for their staff as a lucrative benefit.

Why do you want to have a side job or side business? (Select all that apply)



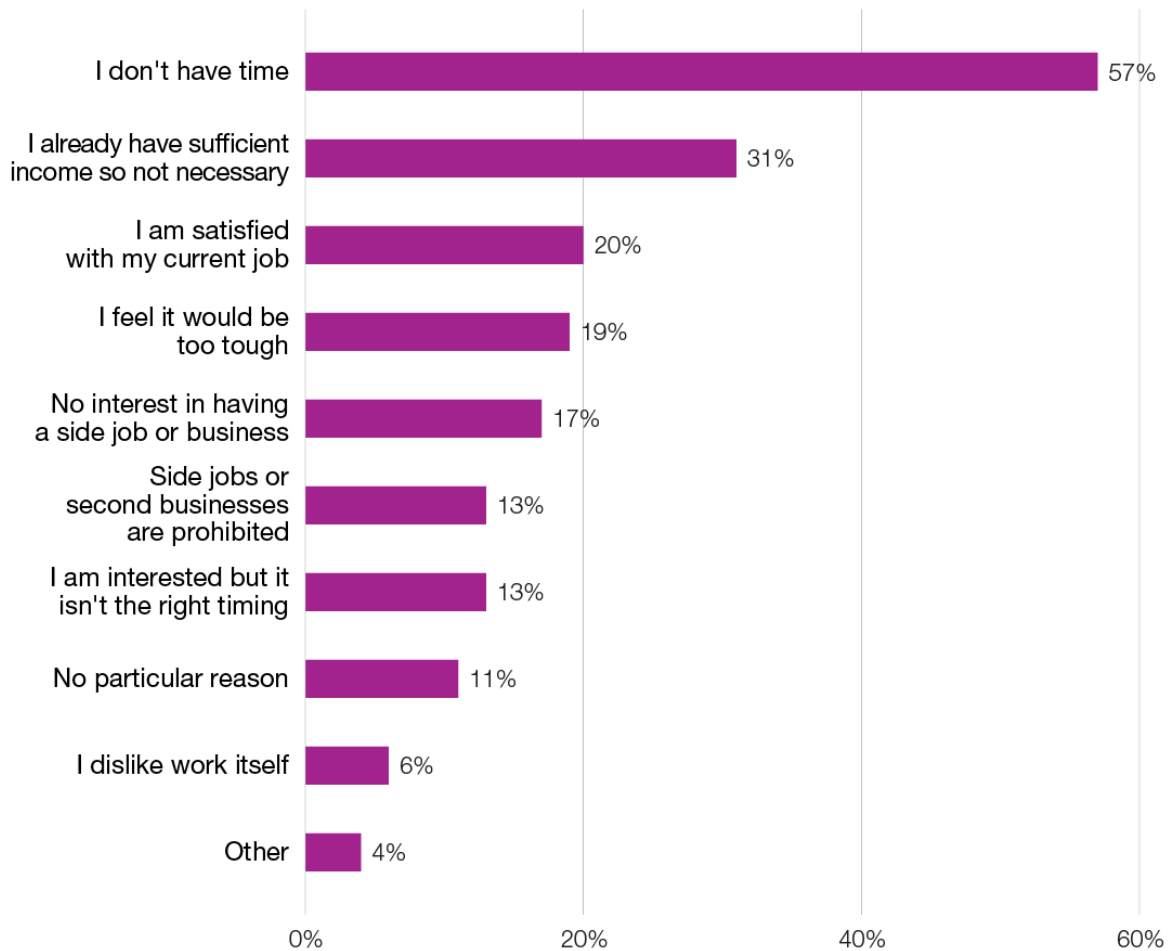
Reason for having a side job or side business (Select all that apply)



‘Lack of time’ and ‘earning a sufficient income’ as counteracting factors to not have a side job or business

In contrast, employees at both foreign affiliated and Japanese companies who said they were not interested in taking on a side job or business said that lack of time (57%), sufficient income (31%) and being satisfied with their current job (20%) were their top three reasons not to do so, indicating that long working hours in Japan still remains an issue that might hinder employees to consider taking on a side job or business as an option.

Reasons for not having a side job or side business? (Select all that apply)



To conclude, the survey found that being able to have a side job or business is becoming an important factor in deciding which company to work for when changing jobs, as it can lead to new possibilities and enhance skill development. It is also a tool to increase attention for companies when recruiting new talent which allows them to earn a higher income and lucrative way to reskill their employees.

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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