



How to succeed in mid-career recruitment and overcome COVID-19 pandemic in 2021

~Prospect for the global talent recruitment market
and hiring strategies~

Issued on March 2, 2021

Message from the President



Vijay Deol
President &
Representative Director

2020 has been one of the most turbulent years in history and the impact of the COVID-19 pandemic on the economy has been the most dramatic in nearly everyone's lifetime. The recruitment industry has been no exception to the consequences of the pandemic. With many companies slowing down or completely freezing hiring there have far fewer opportunities for career changes than in the previous decade. Besides, significant changes in working styles have been forced upon the majority of companies with remote and telework becoming the norm rather than the exception. This has meant changes in talent acquisition processes as well for those companies that were still hiring and for those positions that needed to be filled. For the first time videoconference interviewing is more common than in-person and hiring decisions are even being made without any face-to-face interaction at all. While it is unlikely that the environment, we observed in 2020 will persist in the long term, some of the changes that have happened in response to the pandemic will influence what the post-COVID-19 world looks like.

It is fair to assume that with vaccines now being distributed the economy should improve in 2021 and beyond. It is still uncertain, however, how quickly things will recover and, therefore, companies will likely be cautious in their headcount planning. While hiring activity will almost certainly increase in comparison to 2020, those sectors and businesses that are more agile will lead the way. For almost any business, a push towards digital transformation has already been happening and companies that are quicker and better able to digitize will be more aggressive in attracting talent and potentially more attractive as well. Skillsets related to digitization, transformation, and agility will also be keenly sought after.

The working environment and attitude of the employer towards their employees' health and well-being have become more important than ever before. This is unlikely to change in the post-COVID-19. Companies that cannot provide flexible and remote working opportunities will struggle to attract top talent. Job seekers will also want to understand efforts companies made to ensure the health and safety of their employees during the pandemic and morale and engagement of employees will continue to be related to companies' efforts in this regard.

The future of recruitment will almost certainly not return to the pre-COVID-19 status quo. Video interviewing is likely to continue to be preferred at least for the initial stages or for more junior roles simply due to the added convenience and efficiency. Web and social networking platforms will continue to be more important as resources to access job seekers pools. However, as employers will likely be more careful about hiring decisions high-quality consultation from agencies will still be valuable to support attracting and evaluating talent. Effective use of HR services such as psychometric testing or reference checking is also likely to be in higher demand.

en world will continue to strive to deliver on our mission of enabling our customers' success. Throughout 2020 we have made significant efforts to quickly adapt to new working styles with relevant investments in technology to allow our consultants to continue to engage with clients and job seekers. We have also driven initiatives to work more closely with clients and coordinate more effectively across our various teams and divisions. Besides, we are enhancing our collaboration with our parent company to provide more comprehensive solutions to our clients. At en world, we are optimistic about the prospect for 2021 and the post-COVID-19 world as we are well-positioned to continue to improve the quality of service, we can deliver to enable success.



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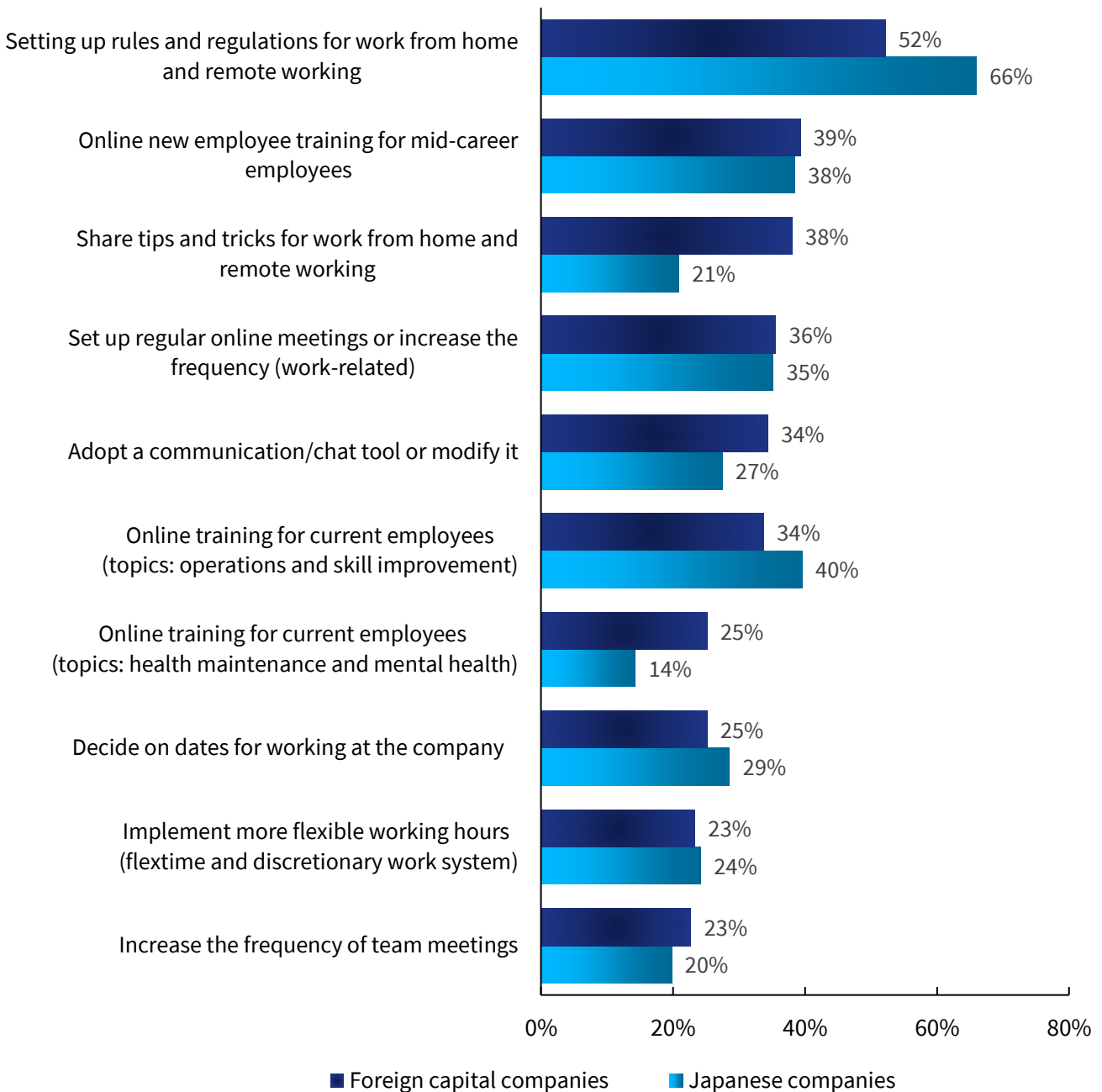
94%

Implementing telework/work from home

Measures to support and improve telework

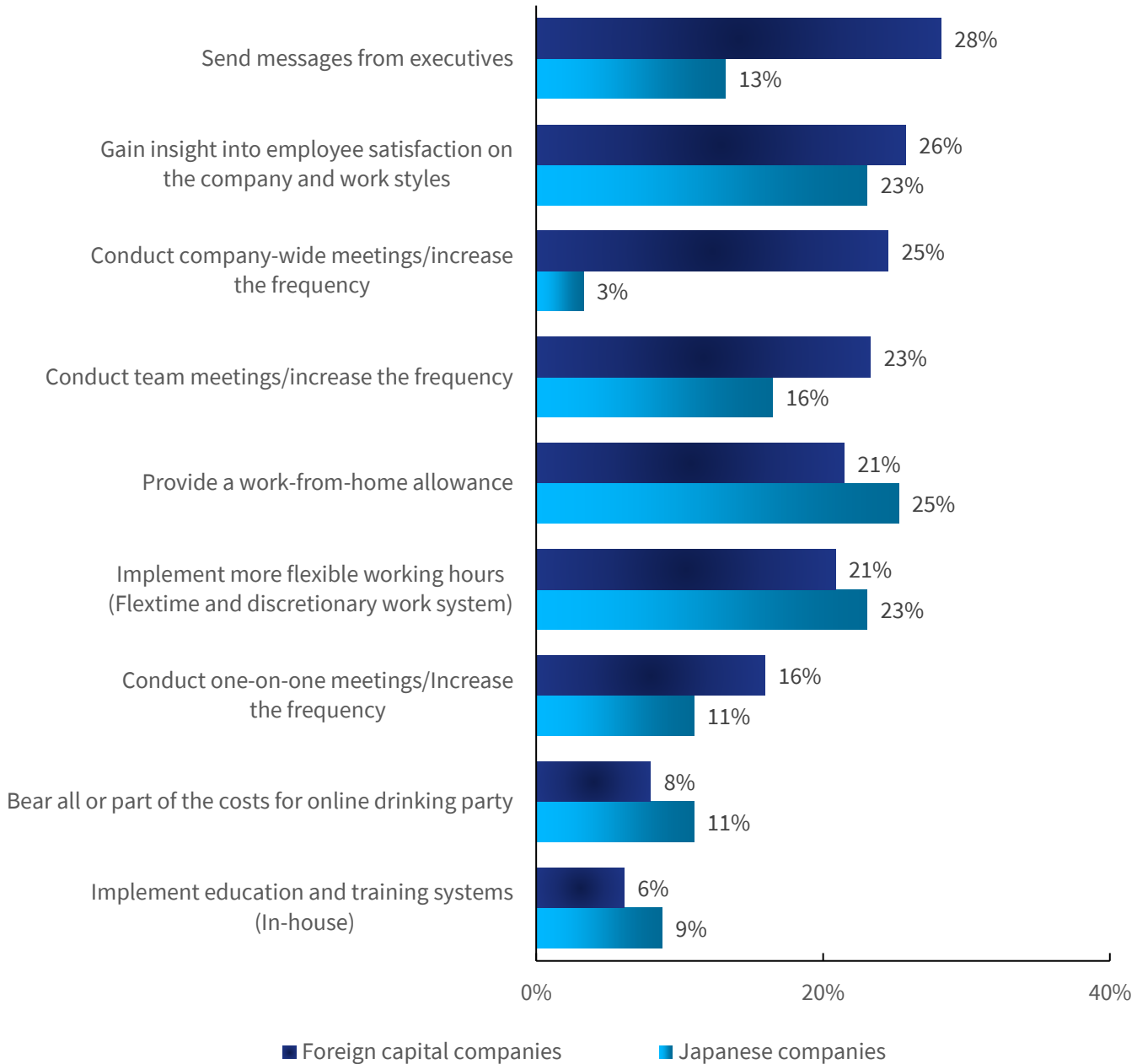
57% Setting up rules and regulations for telework and work from home

Initiatives that companies started to maintain and improve employee performance after adopting telework/work from home system



25% Gain insight into employee satisfaction on the company and work styles

Any initiatives to maintain and improve employee engagement after adopting telework/work from home system





Changes in Salary, Bonuses & Allowance

65%

Suspended the commuter pass allowance and now provide an allowance according to the number of days employees come to work.

20%

Provided a work from home allowance

11%

**Cut bonuses
(6% : Plan to implement in the near future)**

10%

Cut pay

Job seekers' Trends



74%

Indicated a change in their attitude toward career and job changes in the COVID-19 pandemic

The shift in attitude toward the job and career changes

Want to adopt a new way of working that allows me to work from home most of the time

 **51%**

Increased motivation for individual ability/skill development

 **46%**

Concern about a way of working dependent on companies

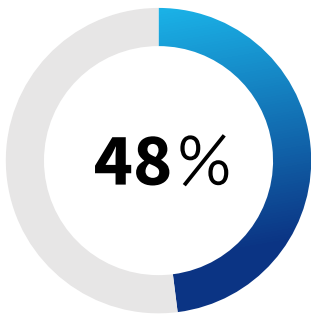
 **40%**



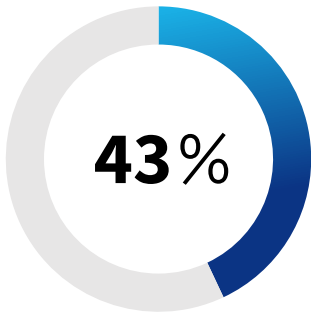
40%

Would consider changing jobs anytime if there were better jobs available

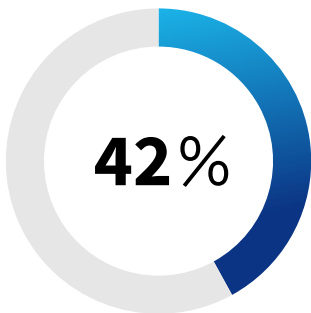
What people want to achieve by changing jobs



Career advancement

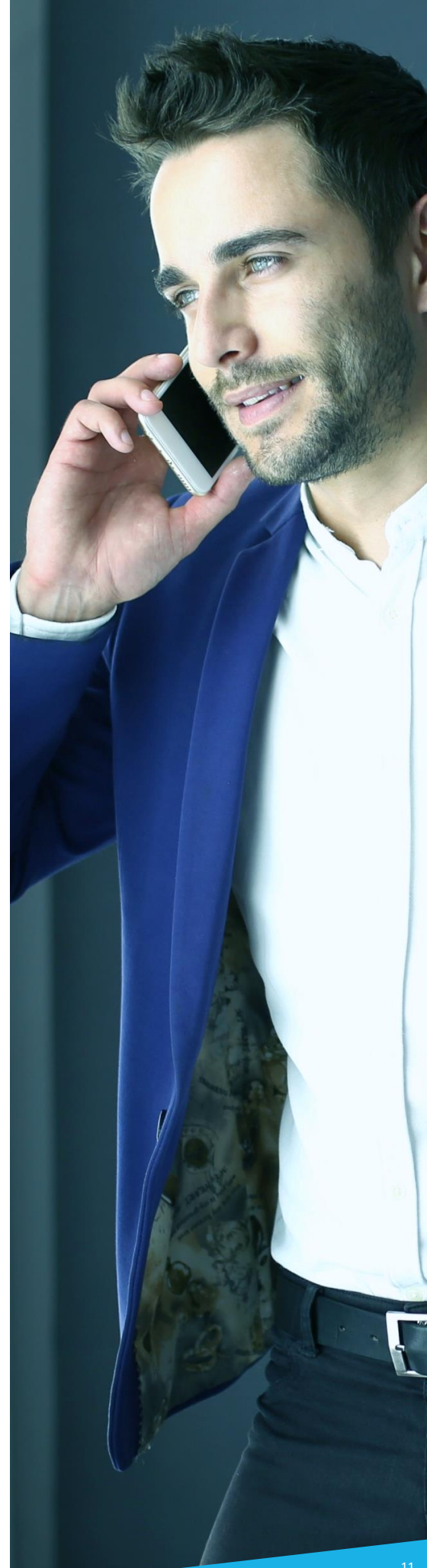


Skill development



Have a higher salary / compensation

*Responses from full-time employees with an annual salary of 8M yen and more

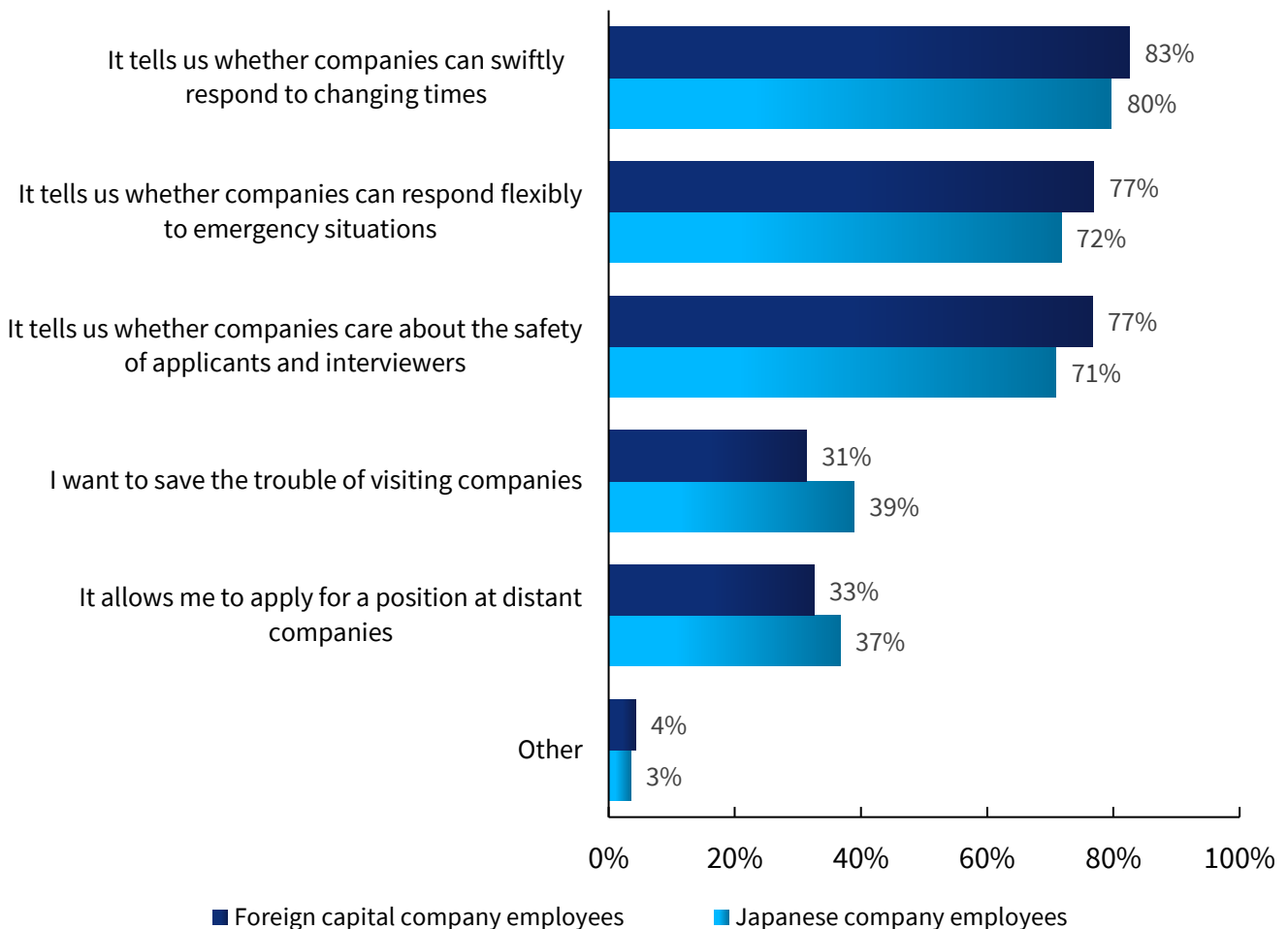


43%

Whether companies conducted online interviews or not influenced their decision to apply

The reason why it influences your decision to apply

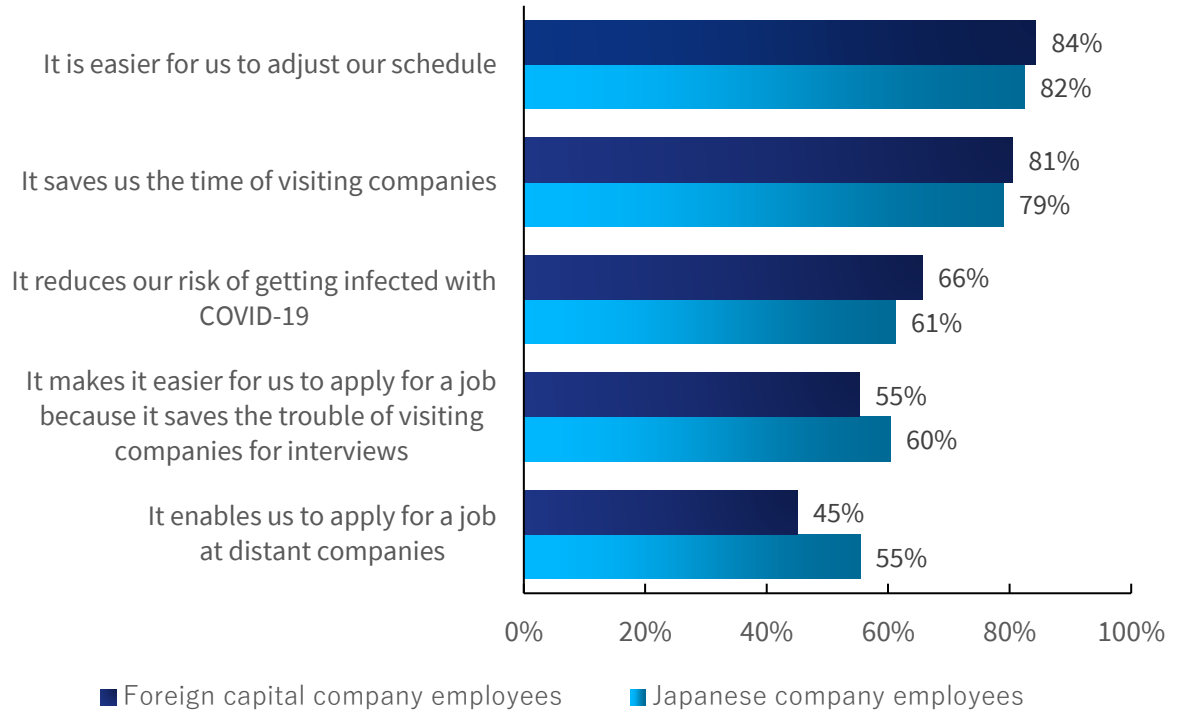
The most common reason is “Companies' adaptability of swift response to changing times”



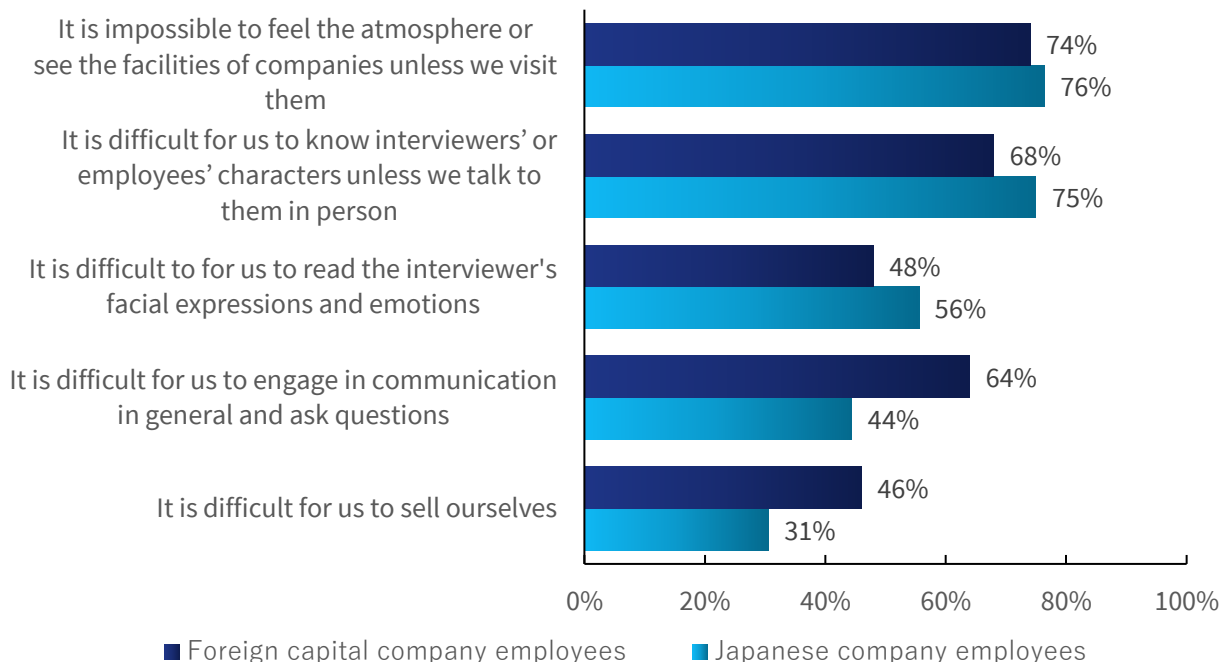
81%

Approved of companies conducting online interviews

The most common reason for approval “Ease of scheduling interviews”



The most common reason for disapproval “Impossible to feel the atmosphere or see facilities of companies”



[Outline of the surveys]

Survey method: Online Survey

Area: Japan

▷ **Employer Trends**

Survey on the support of employees working from home

Number of valid answers: 269

Period: November 4 – November 10, 2020

Respondent attribute: Foreign capital companies 64%; Japanese companies 36%

<https://www.enworld.com/en/blog/2020/12/survey-en-20201225>

Survey on changes in salary and bonuses

Number of valid answers: 269

Period : November 4 – November 10, 2020

Respondent attribute: Foreign capital companies 64%; Japanese companies 36%

<https://www.enworld.com/en/blog/2020/12/survey-en-20201228>

▷ **Job Seekers Trends**

Survey of attitudes toward career and job changes in the COVID-19 crisis

Number of valid answers: 4,636

Period: May 19 – May 21, 2020

Respondent attribute: Foreign capital company employees 48%; Japanese company employees 52%

<https://www.enworld.com/en/blog/2020/05/20200609>

Survey on what makes people change jobs during the COVID-19 crisis

Number of valid answers: 1,004

Period: September 30 – October 4, 2020

Respondent attribute : Foreign capital company employees 54%: Japanese company employees 46%

<https://www.enworld.com/en/blog/2020/11/survey-en-20201104>

Attitude survey on online interviews

Number of valid answers: 2,081

Period: July 27- July 29, 2020

Respondent attribute: Foreign capital company employees 48%; Japanese company employees 52%

<https://www.enworld.com/en/blog/2020/08/survey-en-20200820>



Mid-career recruitment strategy for 2021 to survive in the COVID-19 pandemic

Permanent Recruitment (Kanto area)

Foreign capital companies promptly managed risks such as through Hiring Freezes

The fate of IT Companies was determined by their Field/Sector

In 2020, recruitment during the COVID-19 pandemic cast a shadow over several companies. In particular, among companies with headquarters in Europe and the US experiencing a significant impact from the pandemic, the tendency was to make a very swift move toward risk management through a hiring freeze or temporary suspension of recruitment. On the other hand, among technology companies, companies with operations that were less affected under the environment of remote working, such as cloud, security, and e-commerce, and companies where the infrastructure could promptly change had an opportunity to increase sales and showed good growth both in recruitment and sales. Recruitment activity decreased in the fields of hardware, the conventional software industry, and internal IT, which resulted in deciding such an outcome.

Noticeable trends by industry with life sciences on a good note and manufacturing declined

The field of life sciences was less affected by COVID-19. While the number of job orders for sales such as MRs decreased, the industry as a whole showed steady growth with the number of jobs the same as usual. However, moves by people looking to change jobs slowed, and the supply of talents to meet demand is still insufficient. Because manufacturing has difficulty in physically shifting to remote working and was significantly impacted by market stagnation, 2020 became a very difficult year for all fields. The same goes for the automobile industry, and because a global-scale decline in sales by major manufacturers had a significant impact on suppliers, the entire industry is on a declining trend. As for the B2C field of luxury and retail stores, both the number of job orders and sales by the entire industry is on a decreasing trend compared to the average year, except for the EC-related field.



**Vice President,
Permanent Recruitment
Takeshi Kitsunezaki**



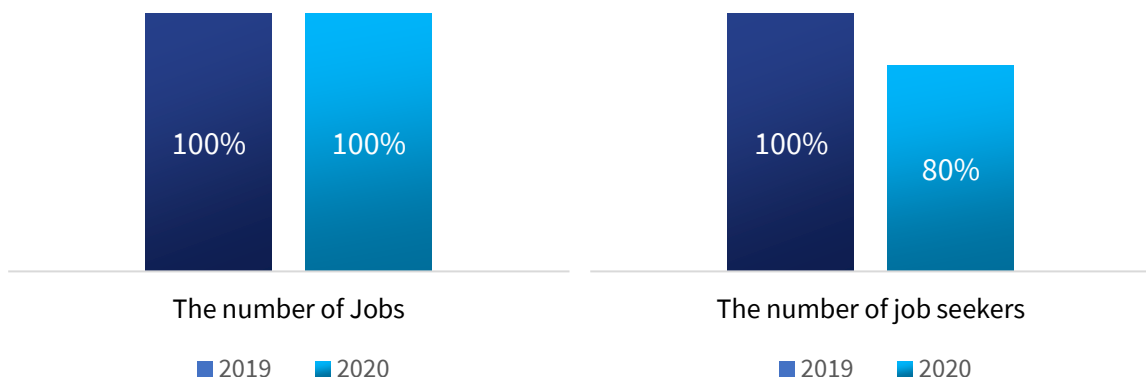
People looking to change jobs are at a standstill

Due to the uncertainty of the job market as a whole, such as the sudden change in recruitment demand and the employment situation in the current position, many people were pending job change activities and the actual number of job seekers was on a downward trend. On the other hand, it became easier to coordinate interviews because online recruitment activities no longer require travel time for interviews and the number of interviews per day has increased. Due to the instability of job security, the time for the job-change process tends to be longer. Since employers' recruitment standards are on up, the hurdles are going up for job seekers as well.

The Key for successful recruitment is to “actively share a lot of information”

Regional recruitment that was thought to increase with the introduction of remote working style has not progressed as expected, and there are fewer cases of recommending a second job among foreign capital companies compared to Japanese companies. The reasons for applying for a job among job seekers used to be mainly annual income, work-life balance, and office location, but now, they care more about whether or not remote working is available. An awareness that COVID-19 is not transient is about to become the common norm, and there is no doubt that the ideal state of workstyles in the future will play an important role in selecting a company. **It is necessary for companies to actively share a lot of information about themselves in the market.**

The trend in the number of job orders and job seekers YoY comparison (Permanent recruitment/Kanto area)



Permanent Recruitment (Kansai area)

Hiring freeze among European capital companies

In 2020, 30% of foreign capital companies in Kansai initiated a hiring freeze due to the impact of the COVID-19 pandemic with the number of jobs at 70% year-on-year. Many foreign capital companies in Kansai have their headquarters in Europe, and although these companies were significantly affected by their respective home countries, 70% of all companies in Kansai continued recruiting. The number of job orders from Japanese companies hovered at 97% year-on-year, and the impact has been minor.

The number of jobs in 2021 expected to recover

Both foreign capital companies and Japanese companies have a strong need of recruiting IT professionals, technicians, and specialists (for business planning and other areas) and moves for efficiency and the sophistication of business through recruitment are noticeable. One of the current topics in the recruitment of several persons by a consulting company due to the expansion of their Kansai Office. The impact of COVID-19 is expected to be felt in 2021, but the number of job orders in the pharmaceutical, consumer, and IT/internet service industries is expected to increase, and I expect that the situation will slightly recover from this year. On the other hand, B2B manufacturers in Kansai have refrained from investing in equipment, and with the downsizing of their global businesses, a full-fledged recovery will take time.

Shift from membership-oriented hiring to job-oriented employment

Many companies in Kansai conduct the traditional Japanese-type recruitment of generalists, which is called membership-oriented recruitment, and the number of global talent with special skills is very small.

Employers need to **review their personnel system and diversify their recruiting methods to hire global talent who can hit the ground running immediately after joining.**



Sales Team Manager
Osaka office
Taku Yamashita



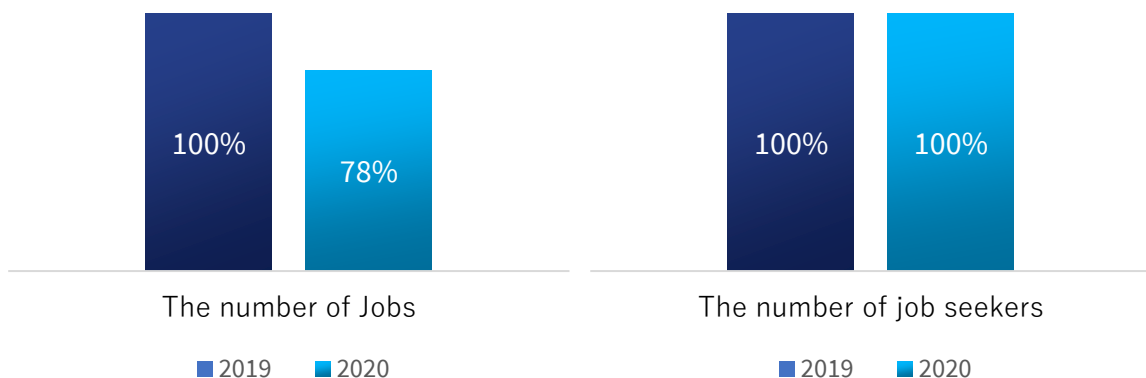
Change in global talents' intention to change jobs

The trend for job changes among global talent included many requests to work for companies expected to grow in the medium and long-term and to work in environments where skills and capabilities can be developed, rather than simply working at major and financially stable companies. I believe that the tendency to seek personal growth is strong, and the need to enhance career value in preparation for the future has been growing in the COVID-19 pandemic. Since there is a wide range of industries in the Kansai market, such as industrial machinery, home appliance, electronic component, consumer, and pharmaceutical, there is an increasing number of **job seekers who are inclined to think about how they can best demonstrate their skills not only in the industries they are originally from but also in other industries, are increasing.**

Companies' adaptation to new workstyles is required

With the COVID-19 pandemic, the number of job seekers who wish to work remotely with a return to their hometowns or who want to live together with families has increased, in addition to an increase in the number of people wanting a second job because of a change in lifestyles. On the other hand, the present status is that the number of companies implementing full remote working and allowing a second job is very few. **In recruiting highly competitive talent, it is necessary to consider introducing a work style that accepts diverse values and utilizing a talent pool.**

The trend in the number of job orders and job seekers YoY comparison (Permanent recruitment/Kansai area)



Permanent Recruitment (Tokai area)

Sixty percent of foreign capital companies initiated hiring freezes

The IT industry is doing well even under the pandemic

In the Tokai area, the number of job orders decreased by 50% to 60% year-on-year, and nearly 60% of foreign capital companies initiated hiring freezes. Among Japanese companies, the number of jobs drastically decreased after a review of hiring for automobile and machinery manufacturing, and as of December 2020, the trend is for a slight increase. The IT industry, which has been doing well, continues to do so with no impact from the pandemic, including foreign capital companies and Japanese companies, except for some companies providing services to manufacturers. In particular, among remote work-related IT service companies, the number of job orders have significantly increased compared to an average year.

Moves for enhancement of screening criteria and stringent selection in hiring

During the COVID-19 pandemic, **companies have raised their screening criteria, and the tendency to recruit global talent by focusing on people who can hit the ground running has grown strong.** Many foreign capital companies and Japanese companies have yet to decide on the number of job orders in 2021. Because companies are cautious about recruitment, I believe it will take a while to recover the number of jobs to the same level as that of the previous year.

The introduction of teleworking is delayed in the Tokai area though implementation is expected as a strategy to acquire talent

The Tokai area has many manufacturing companies; however, only a limited number of companies implemented a remote working system during the declared state of emergency. Among the companies that implemented a remote working system at that time, 90% restored their normal system of going to the office after the state of emergency was released.

The pandemic led to a review of work styles and a shift to the different working styles, such as teleworking which enables people to work regardless of their work location. The future challenge for companies in the Tokai area is to **establish a structure and a system that incorporates remote working, and this may be the key to acquiring top talent.**



Senior Consultant
Nagoya Office
Rika Kato

Popular industries changed from automobiles and machinery to IT and healthcare

People looking to change jobs seek workplaces where they can sharpen specialist skills

Because of the regional characteristics of many job seekers oriented toward working at major and financially stable companies, the number of job seekers decreased to around 30% during the COVID-19 pandemic.

With a sudden transformation from the workers' market to the hirer's market, people in their 40s and older motivated to change jobs in a search for a greater challenge, although they had no complaints about their current jobs, have become particularly cautious. Because remote working gradually became popular, the need to change jobs by job seekers in their mid-30s to 50s hoping to return to the Tokai area shifted to a decreasing trend.

There is also a change in the trend of companies where they wish to work.

The automobile, airline, and machinery industries that had been popular were affected by declining business results because of COVID-19, and people looking to change jobs have less of an interest in such industries, but popularity has been growing in the IT-related, chemical, healthcare, and pharmaceutical, and food industries. Since major Japanese companies have been implementing early retirement for those in their 40s and older due to worsening economic conditions, job seekers who are concerned about their careers as generalists, **prefer to work where they can sharpen specialist skills have been increasing.**

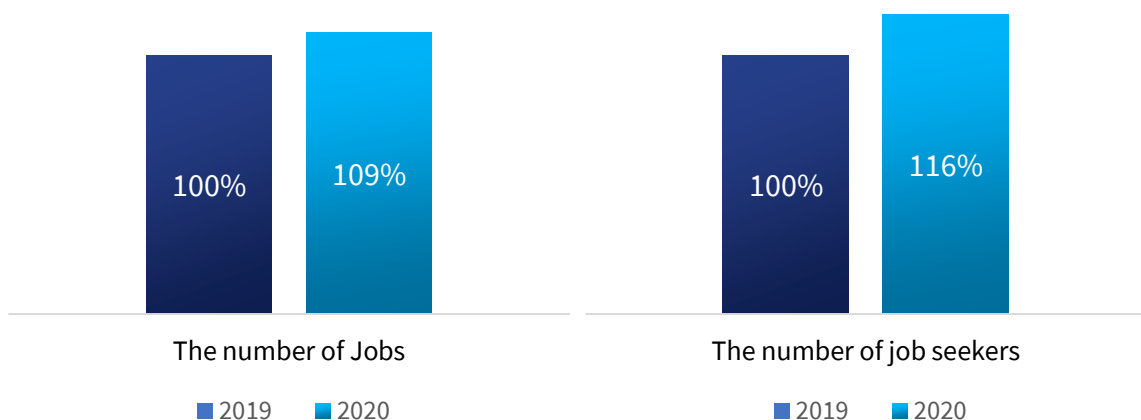


Speed of online interviews is advantageous to recruitment with the chance to acquire applicants from other prefectures

Previously around 10% to 20% of companies conducted online interviews, which has now increased to around 80%. Since visiting companies for the first interview by applicants is no longer necessary with the introduction of online interviews, the hurdle for applying by people from other prefectures has been lowered, and for companies, this means an increase in opportunities to meet talent who cannot be found locally.

On the other hand, many companies are particular about face-to-face interviews. These companies tend to be disliked by people looking to change jobs, and because the slow selection speed, many talent have been acquired by competitive companies. **More than ever, job seekers are paying close attention to whether companies have been adjusting to the environment and taking action towards the future. It is essential to implement remote work and IT systems to become a company that the job seekers will choose.**

The trend in the number of job orders and job seekers YoY comparison (Permanent recruitment/Tokai area)



Contract Professionals

The trend was harsher for temp and seasonal workers under the COVID-19 pandemic

The corona pandemic has changed forever the way we hire and engage with other people. The outset of the 2020 brought high levels of anxiety and a real fear of another Lehman-level economic crisis. Our clients which had been hiring aggressively for the past five years suddenly halted their expansion plans and new permanent job orders fell to 80% of 2019 levels as early as February 2020. The trend was harsher for temp and seasonal workers with job orders falling to 41% of 2019 levels in May of 2020.

Continuous employee engagement and onboarding efforts are essential

The good news is that as we head into the new year, those numbers are increasing in both perm and temp in anticipation of the coming vaccine and the expectation that 2021 will again be a year of growth. Whist almost all companies are embracing (in most cases permanently) work from anywhere any time, social distancing fatigue is palpable, and companies will continue to struggle engaging their employees and indoctrinating newly hired staff.

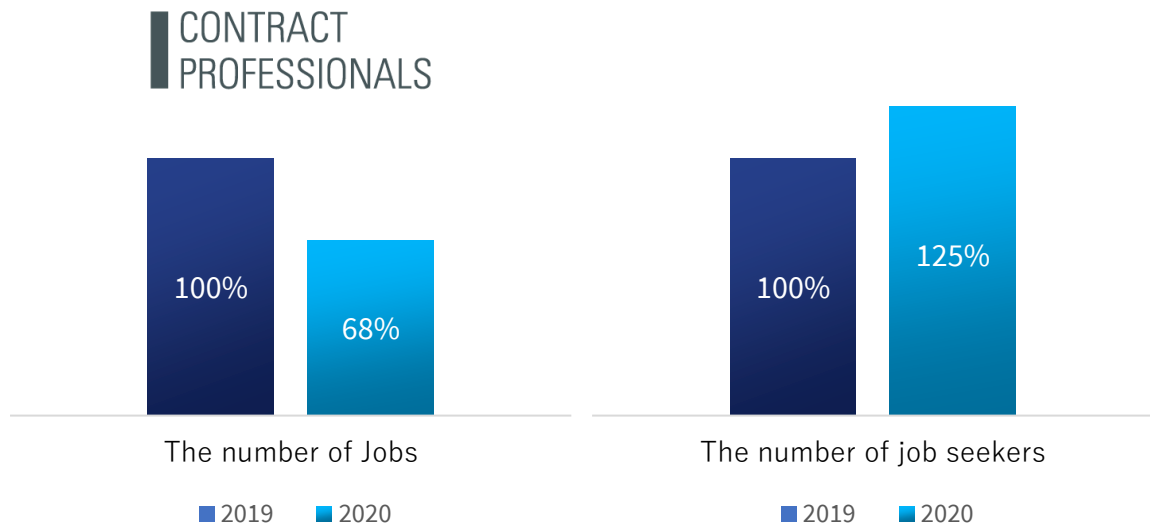
Sustainability in 2021 will inevitably depend on the company's continued efforts at remote on-boarding and intentional engagement until the vaccine becomes more readily available. Laser focus on talent development will be more important than ever for employee retention as the already competitive Tokyo recruitment landscape opens further to hiring in 2021.



**Vice President
Permanent Recruitment &
Contract Professionals
Chris Kobayashi**



The trend in the number of job orders and job seekers YoY comparison (Contract professionals)



Recruitment Process Outsourcing

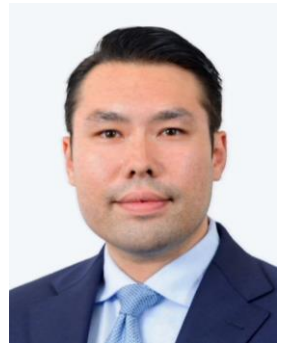
The evolution of TA brought by the COVID-19 pandemic

The world of work in Japan is evolving. Due to the COVID-19 pandemic, we have seen companies, regardless of size, have their organizations impacted, and Talent Acquisition is also a key function I have seen impacted, and a rising trend of change within.

Until the beginning of FY2020, the usual trend of foreign capital companies in Japan was that Japan's local HR/TA divisions had Japan-specific processes and workflows that were different from the headquarter. This was quite a big question mark to global leaders, as to why Japan was so different and could not align with their global processes and approach to Talent Acquisition.

However, I have seen quite a drastic change this year. During which, some Japan TA processes that up till now, traditionally have been said to have not been possible within the local market, due to the way the Japan market is, have been effectively proved to be possible due to the COVID-19 pandemic and the change it drove. **This change and requirement to evolve how companies worked essentially forced companies to change their approach not only within Talent Acquisition but potentially their business, as a whole.**

In today's market where agile approaches are needed, companies that are effectively re-turning around and evolving their strategies are beginning to see the following changes:



Vice President
enPower
Samuel Nishizawa

- LESS EXCEL and more CRM/ATS Adoption and more focus on TA team usage and integration within the business, and their stakeholders, due to the requirement of proper reporting and performance management, as well as talent pooling.
- A big change in how TA Teams view their approach to talent acquisition including revisiting key channels such as employee referrals, and their brand positioning in the market, and other external branding approach to empower attraction from lower-cost channels with a higher quality of hire.
- Revisiting the traditional approach to agency usage and a greater emphasis on other talent attraction solutions to optimize overall spend, with a bigger focus on direct sourcing. Agencies, of course, are still very much relevant, but I have also seen companies revisit their approach to the assessment of the vendors they work with.
- More utilization of non-FTE options for local TA organizations, and more utilization of non-FTE service providers that can quickly scale/descale, due to the flexibility and agility required in constantly changing demands from TA and evolving hiring plans.
- A large focus and emphasis on overall cost optimization, with more usage of HR technology and a larger focus on cost optimization and Direct Sourcing based hiring and fulfillment.

The above are just a few points to mention, but I believe 2021 will prove to be a pivotal year for how we approach Talent Acquisition as a whole in Japan, and more integration of new technologies and solutions, outside of the “standard” approach most TA organizations have taken to date.

While the change may be slow, depending on the company’s ability to pivot, major differences will be seen this year than in prior years, around Talent Acquisition Strategies.

The change in job seekers' behavior brought by the COVID-19

The world of work for job seekers in Japan is also evolving. Due to the COVID-19 pandemic, we have seen a change in a traditional job seekers' behavior as well as more usage of rating websites, when choosing their next employer.

The number of job openings was decreased Job seekers became more conservative

During 2020, we saw a very volatile hiring market with many companies scrambling to adjust their hiring plans for the year, due to the disruption caused by COVID-19. Not only was this seen in clients, but also job seekers, as due to this volatility and Japan's conservative nature, we did see a large drop in overall open jobs and talent acquisition.

Most job board providers faced similar challenges and also reported that talent acquisition or newly registered job seekers every month had dropped to sometimes 50% or more, compared to prior years. This has improved within the year, but we are seeing that job seekers have taken a much more conservative approach to a job change in 2020.

Young people place more importance on flexibility of working style

This being said, the younger generation (20s~30s) has been changing their approach to choosing a company and moving away from traditional channels like job boards and more social media-based hiring sites, as well as **a much higher emphasis on working style flexibility** compared to their senior generation. This is a trend we have seen happen before COVID-19, but I feel that this pandemic has further solidified this, as job seekers watch various companies' approach that they take to their internal employees during this year of extreme hiring volatility.

The Japanese seller market remains unchanged Corporate evolution is required

Overall, we saw an increase in people looking to revisit and proceed with their career advancement and job change compared to earlier in 2020. This trend will continue based upon the statistics of jobs open vs available job seeker ratio improvements seen in the later stages of the year. It is only a matter of time before Japan becomes a highly job seeker-driven market.

With job seekers having much more visibility and access to information and market average salary, to make better-informed choices, on which company suits their personal goals best. Japan has always been a job seeker-driven market, and while we have seen a more positive sign in importing talent, to meet the ever-rising demand, I believe it will still take quite some time before Japan's talent shortage is alleviated.

In 2020, when recruitment activity stagnated, **it was also a year in which various companies took measures against COVID-19 and worked to create their hiring brands** that will lead to the future in the recruitment market. Those who want to change jobs are also aware of it. The fact that we can set forward-looking goals and develop our stance on COVID-19 to improve our brand will also be a major factor in the company's future.



**Trends by industry and job function and
the key to success in mid-career
recruitment in 2021**



IT, Telecommunication

COVID-19 boosts corporate Digitization

COVID-19 affected IT positions across all industries, but the impact was not as great as first thought. Rather, some organizations were rethinking how they would enhance IT to expand and improve their entire business. As many companies deploy telecommuting to protect their employees, converting old systems to the cloud has become an important challenge, and information security is becoming increasingly important for some companies. Other companies are in strong demand for the use of digital technology to increase customer touch and move to a more data-driven organization.

Recruitment of IT personnel is booming

Many firms have a rather positive outlook in terms of hiring for IT in 2021. Some firms had to put a halt on their projects for 2020 and thus stopping their recruitment activity but some are showing signs of resuming with the projects and thus hiring as well. Further, the drive of hiring in IT with the stronger emphasis of many organizations on Digitalization hiring is apparent in 2020 and will continue into 2021. The challenge for organizations will be on how they will be able to attract these talents as the pool are quite limited. Thus, those firms with a strong story and fast recruitment processes will be able to capture top talent.

Hiring from overseas is increasing due to the lack of high-level IT talent in Japan

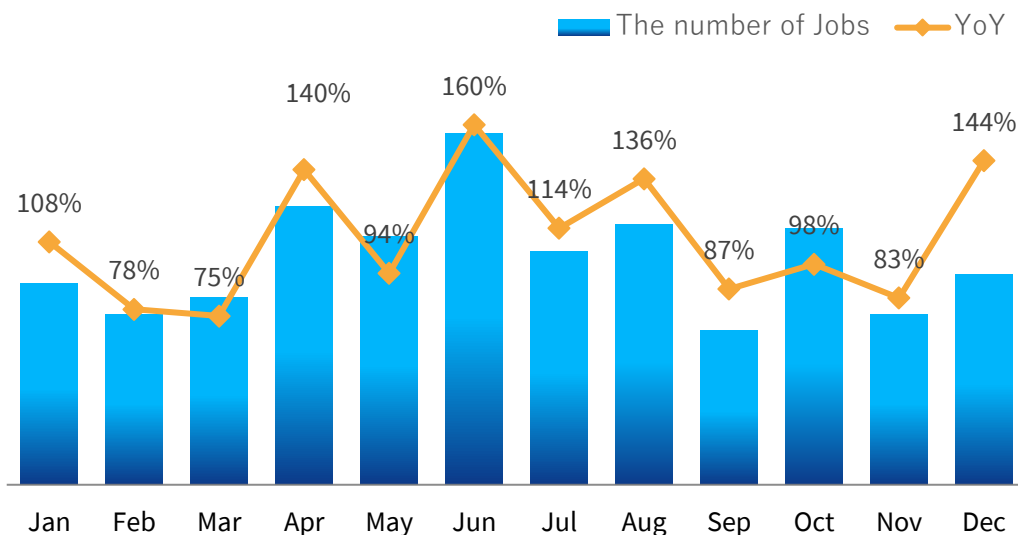
Talent demand will continue to increase for those job seekers that can communicate with the local stakeholders and work with global IT counterparts. However, the need for hiring non-native Japanese for these Project Manager/Business Analysis roles will continue to rise. Thus, we see more and more organizations being flexible in that regard. Shortage of local talents have also been prevalent in the more technical hands-on area and 2021 will certainly see continued growth in hiring engineers from outside of Japan.

A strong story that attracts job seekers and a quick hiring process are the key points for successful hiring

The competition is very fierce for acquiring talents in Japan market. **Those firms that have a strong message that can capture the interest of the job seekers and invite them in to take a journey with them, will be key.**

Companies need to make the job seekers excited about the company as well as the position and thus how this message is transmitted to the right targeted talent pool is also important. Further, **the speed at which the job seekers experience the processes will also help to continue building a strong interest from the job seeker side.**

The trend in the number of job orders and YoY comparison (IT, Telecommunication)



No. of Job Orders in 2020 (YoY)

108%

Building a strong partnership with recruitment agencies is also important for successful recruitment

In addition to what has been stated before, it is important to partner with external hiring professionals such as recruitment agencies and to control the number of partners on the search. This will certainly allow for increased commitment from the agencies but also a stronger control on the quality and thus cutting down on the unnecessary screening tasks.

**IT Division
Sales Team Manager
Kentaro Matsuo**





Manufacturing, Industrial

The manufacturing industry was hit the hardest by COVID-19 while the semiconductor sector is on a recovery trend

COVID-19 had an impact on all industrial sectors. In particular, the pandemic caused a variety of changes and heavy damage to the manufacture of goods. In the automobile and aerospace fields, sales decreased dramatically in 2020, although both technological evolution and autonomous driving technology were on a recovery trend since mid-2019. In March and April, when lockdowns bed overseas, there was a serious decline in recruitment quotas until October. On the other hand, the semiconductor industry, where demand for data centers slowed, is on a recovery trend again with the needs of 5G. The renewable energy industry has been performing well and continues to actively recruit qualified talent. Companies and industries with global supply chain functions that have formed since 1990 have experienced havoc due to rapid changes and are now working to establish mid to long term measures. The outlook for 2021 and beyond remains difficult and companies are very cautious about recruitment. Companies and job functions that are regarded as lifelines in Japan, hiring positions had been maintained even during the COVID-19 pandemic.

Apparent talent demands for automation in a company and robotization

Manufacturing industries were not expected to work remotely and were not familiar with telework, so there were major hurdles to work style reforms, especially in manufacturing and logistics sites. Manufacturing needs response capabilities for automation and supply chains require such capabilities for restructuring and changes. Originally, supply chains and engineering chains were dependent on individual skills, so there are many domestic manufacturers that have a problem of aging equipment; consequently, talent needs to proceed with automation in a company and robotization have become apparent.

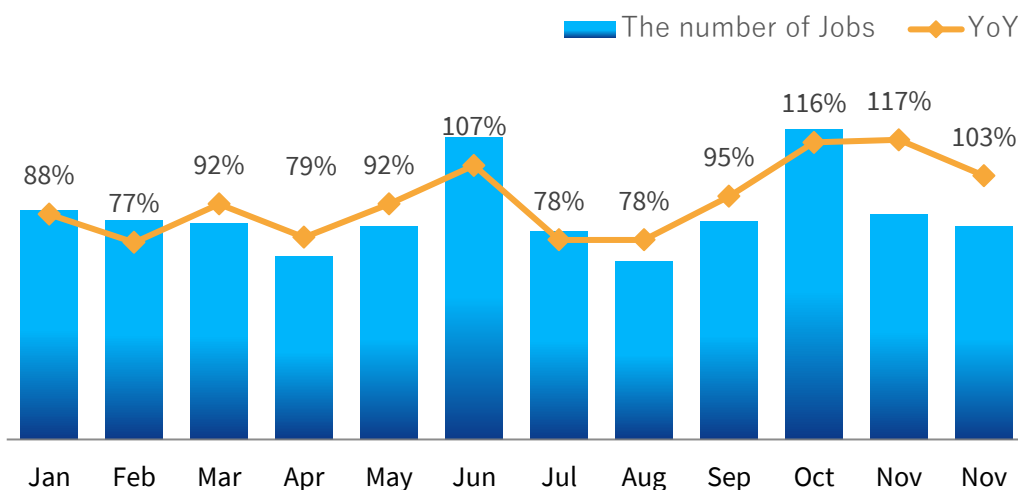
Demand for talent with experience in different industries aimed at promoting DX will increase in 2021

In the manufacture of goods, efforts for the creation of solutions and building new business models in a shift from single-body sales are accelerating. Digital professionals are increasing their competitiveness, and talent needs for promoting DX will further accelerate. During and after 2021, moves to demand experienced workers in different fields from other industries than past manufacturing and engineering, such as mechatronics, electricity, and software, are expected to increase.

Manufacturing and recruitment are experiencing major changes and flexibility in HR/TA is necessary

Successful recruitment of IoT and AI-related talent necessary for promoting DX is considered the major cause of improvements in competitiveness. **How companies will evoke the attractiveness of the dynamic manufacturing market, which has a 20% share of the gross domestic product (GDP) and transforming with DX promotion into the career-change market will decide the talent that can be hired.** Besides, the moves to change to flexible personnel and salary systems that defy the boundaries of existing salary tables and positions and to introduce specialist recruitment, represent the phase of a major change, and future recruitment moves will draw attention. While DX promotion is progressing in industries, **companies demonstrating flexible responses early and companies that could come up with attractive DX promotion in manufacturing have been successful** in recruitment.

The trend in the number of job orders and YoY comparison (Manufacturing, Industrial)



No. of Job Orders in 2020 (YoY)

93%

Communicating a company's corporate philosophy and vision is important

While the shift to remote working progresses, job-oriented recruitment that can easily visualize individuals' achievements has been promoted. For that reason, it is now essential to clarify job descriptions that are in demand and thoroughly define expected achievements that are more centered on individuals. On the other hand, **the thorough communication of the company culture, mission, vision, and value to society, as well as prospects, is more important than ever.** It is expected that the COVID-19 pandemic will become prolonged, the future will remain uncertain, and everyone will enter a period of uncertainty. Communicating its corporate philosophy, unswerving corporate stance, determination for major change, and the future image that a company aspires for will lead to acquiring talent who can overcome the crisis together.

Manufacturing, Industrial Division
Associate Director
Aki Nagashima





Medical Devices, Pharmaceutical, and Life Sciences

The impact of the COVID-19 pandemic was less in the pharmaceutical industry while it was noticeable in the medical equipment industry

The pharmaceutical industry was less impacted by the pandemic, and recruitment tended to stay the same. Because treatments were postponed and consumption opportunities decreased in the medical equipment industry from the restrictions on entering hospitals and the influence of securing several hospital beds, decreasing sales were evident. In the fields of diagnosis, the gap between fields that showed a temporary upsurge from the outbreak of COVID-19 and fields that were less impacted were prominent.

This was also the year when the methods of expanding product sales in the healthcare industry had to significantly change. The early retirement system was implemented by major Japanese pharmaceutical companies, the number of MR decreased, product deployment shifted to more indirect digital marketing, which increased demand for digital marketing professionals on the company side, and business companies in the health-tech field enhanced recruitment efforts with rising share values.

The health-tech field will evolve in 2021

The trend for an increase in the need for R&D and CRO positions involved in product development in the pharmaceutical industry will continue. On the other hand, on the commercial side, which encourages consumption, this will be a year of accelerating the response to a new normal. As the evolution will significantly progress for new methods of indirectly conducting product PR activities that appeal to doctors, this will be a year where the health-tech field profoundly evolves.

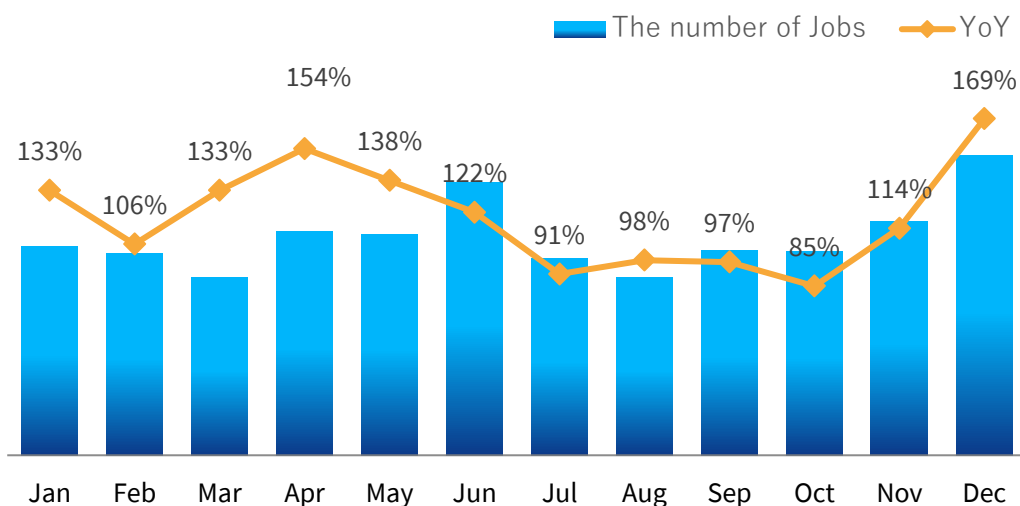
Demand increased for talent to build new systems that include digitization

The trend is for an increase in the demand for building new systems and greater efficiency by businesses toward digitization in the healthcare industry and for related fields and positions. One of the reasons for the increase is the rising need to build a new system at a fast pace because the restrictions at clinical sites are expected to continue in the future, and traditional customs no longer apply. The need is rising for digital marketing to share information with the world, commercial excellence to streamline the company structure, and new business planning to launch new businesses.

Companies' active information disclosure lowered the hurdle for applicants

While concerns about changing jobs grew from the impact of COVID-19, securing top talent is now more difficult. **Companies succeeding under these circumstances lowered the barrier for applications by actively disclosing company circumstances and implementing efforts to avoid letting top-level talents slip away.** Although recruiting where companies contract with an external database service for direct approaches to job seekers increased from the previous year, the direct approach where the company is not indicating the intention to change jobs is perceived as reluctance; therefore, **an approach from a casual interview has been increasingly important.**

The trend in the number of job orders and YoY comparison (Medical Devices, Pharmaceutical, and Life Sciences)



No. of Job Orders in 2020 (YoY)

117%

Financially stable major companies tend to be popular The way to set out corporate message is the key to successful recruitment

Because aggressive job changing is perceived as risky, communicating the ability to be aggressive while remaining defensive has become important. Job seekers have voiced opinions of caring more about the stability of companies compared to the previous year, and there is a tendency for major manufacturers to gain popularity and increase the number of talent recruited. On the other hand, while recruitment needs by venture companies are strong, **how the sound foundation, business and new challenges can be set out simultaneously is the key to successful recruitment.** It will also be **important to monitor the change in business deployment and prepare for recruiting top talent who applied for the early retirement packages.**

**Life Sciences Division
Sales Team Manager
Yuuki Umezawa**





Consumer Goods and Retail

Changed to defensive recruitment and need for marketing professionals is the largest ever

Due to the COVID-19 pandemic, consumption changed in 2020, and the impact on consumer goods and the retail industry was substantial, along with a change in recruitment trends. Up until 2019, recruitment of talent who can hit the ground running was considered as aggressive recruitment ahead of sales channel expansion and new product sales, and there were well-balanced moves in sales and marketing. However, during and after March of 2020, defensive recruitment stood out. The background to that effort was the moves for sales channels, including EC, as companies were caught in the COVID-19 pandemic without countermeasures, and consumer consumption trends became uncertain, as well as the moves to compete for limited pies with competitors to secure existing consumer traffic. As a result, the need for digital marketing, including EC managers and marketing communication (Marcom), became the greatest ever for recruitment, and **80% or more of those looking to change jobs proceeded to the final interviews in the second half of 2020 were in the marketing field.**

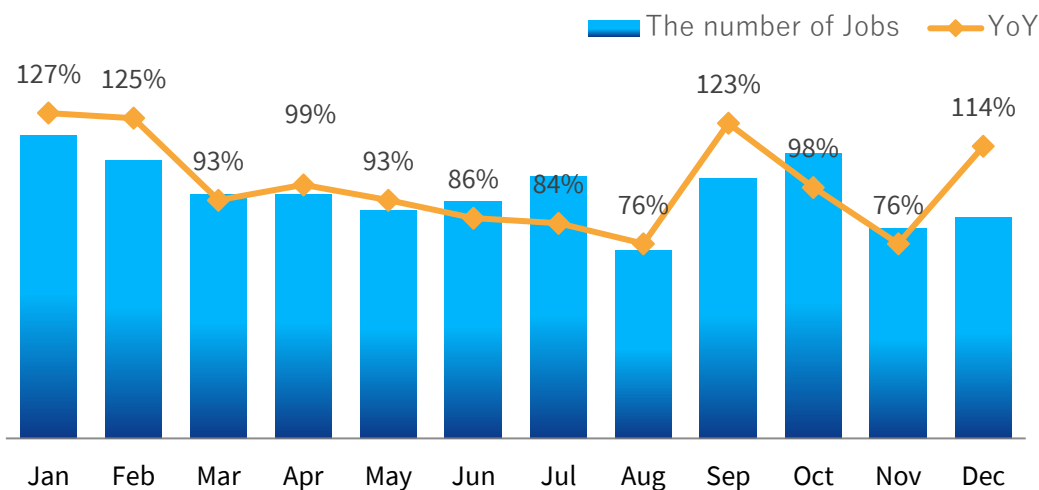
Investments in infrastructure with an eye toward post-COVID-19 accelerated

Many confidential deals of the launching of a corporate planning team as the mid to long term countermeasures for the post-COVID-19 period for infrastructures, such as DX and eCRM, have been increasing. Many companies implemented early countermeasures right after the outbreak of COVID-19 to initiate changes within the company such as taking the plunge to reform the business structure because of the change in the trend of food and beverage consumption (shifting from restaurants, convenience stores, and vending machines to supermarkets and GMSs), apparel companies that placed importance on O to O (Online to Offline) shifting to online only, and asking employees to transfer to the digital department.

In the era of VUCA, change jobs after understanding corporate strategies and business description

The conditions of attractive companies will be updated in 2021. At the same time, professional advice will be needed when people looking to change jobs choose a company. One of the reasons is the increase in uncertainty of how corporate strategies and description of business will shift in the unstable era of VUCA (volatility, uncertainty, complexity, and ambiguity) coupled with the impact of COVID-19. Ways to perceive the concept of new normal, countermeasures for the COVID-19 and workstyle reforms have been changing. Another reason is that company strengths in financing or investing will become more conspicuous. Business deployment overseas and plans to launch a category of localized products are under review and plans during and after 2021 will also change. Deciding to change jobs based on the superficial aspect of the degree of recognition of a company without deeply understanding the background will be a risk. The time to use the professional perspective of a recruiting firm and to implement robust countermeasures is now. Besides, **activities and product measures under the theme of sustainability under SDGs-related initiatives have been increasing, which is cited as one of the conditions of an attractive company by those looking to change jobs.**

The trend in the number of job orders and YoY comparison (Consumer Goods and Retail)



No. of Job Orders in 2020 (YoY)

98%

Increasing demand for EC and digital marketing managers

During and after 2021, the minimum knowledge of and experience in digital will be required for any positions, and demand in the fields of EC managers and digital marketing managers will further increase. Demand for traditional marketing and experience in negotiations at the headquarters of sales will maintain at a certain level and recruiting for brand managers and key account managers toward spring 2021 has already started.

As the skills in demand in the future, regardless of fields and positions, three items of **analytical, planning, and management capability are important** and can be cited. These are all related to the keyword of “countermeasures” to beat competitors in the pandemic. Companies are increasingly aware they must implement robust business measures for cross-function projects including sales, marketing, and PR, and the operation team. For those looking to change jobs during the COVID-19 pandemic, flexibly taking advantage of these skills and engaging in effective project operation are essential for achieving their “enabling success”.

Companies also need solid countermeasures for recruitment

As the keyword of successful recruitment, “countermeasures” by a company can be cited. The first thing is to thoroughly understand the reason to change jobs, the reason for applying, the evaluation points and points of concern about the company, and the career plan of job seekers at the time of preliminary screening and **for the interviewer to implement countermeasures and approach the interview**. By preparing in advance, it will be possible to thoroughly address the applicant’s concern within a limited amount of time. For that reason, close communication with a recruiting firm or a recruiting consultant will be important. The second thing is to disclose the post-COVID 19 measures to the extent possible and to **appeal to the attractiveness and stability of the company from the medium- to long-term perspective**. No doubt being a company that properly implements countermeasures for business, such as the release of new products designed for consumers who were affected by the COVID-19 and thoughts on the future sales channel development, will help reassure those looking to change jobs. While aware of these two points, I would like companies to focus on future measures for their recruitment efforts.

Consumer Goods and Retail Division
Sales Team Manager
Toshiyuki Takahashi





Banking and Financial Services

While a hiring freeze and a reduction in the number of persons recruited were noticeable among foreign capital financial companies, Japanese financial companies were steady

Foreign capital securities companies and foreign capital banks in the first half of 2020 were severely impacted by the uncertainty caused by the COVID-19 pandemic. Because of the impact, the number of persons recruited dropped to 50% or more compared to normal times, the headcount decreased, and companies frequently instituted hiring freezes. On the other hand, among Japanese financial companies, a clear difference was observed from foreign capital financial companies. FinTech companies centered on online and cashless payment systems actively recruited thanks to the impact of COVID-19. As Japanese financial institutions saw a business boom in M&As and aggressively increased the number of persons recruited, **the trend has been toward those with experience at foreign capital financial companies considering a career move into Japanese financial companies.** The willingness to change jobs as a whole tended to be lower than in previous years, and many moves were observed this year to consider changing jobs next year while waiting to see how things will go.

This will be a year of talent acquisition and development

We assume that 2021 will be the year that the financial industry again invests in talent recruitment and development. Because many companies could not fill the planned recruitment quota in 2020, we anticipate that the entire financial industry's recruitment will turn up in the next year. **The trend of persons looking to change jobs has been increasing for those who wish to apply for the positions where ideas and creativity can be trained.** Because of the impact of the COVID-19 pandemic, the willingness to take personal action and change grew, and the persons looking to change jobs who are attracted to a place where tasks are not completely decided have increased compared to before.

Greater demand for those who have experience in digitization and going online

While it has become essential for a business to shift to digital and online, demand for those who have expertise and experience in digital and online work will further increase in and after 2021. Considering the increase in demand for corporate planning-related positions and IT-related job functions this year, among the job functions that did not require knowledge of technology, by studying data analyses (SQL and Python) and financial affairs (USCPA and bookkeeping) and acquiring knowledge through self-study and improvement, I think they may become talent matched to the demand by the companies promoting innovative changes. While businesses that expand not only in Japan but also globally are in demand, human resources with language skills who can proactively look around and improve themselves will be in greater demand.

Clarify the purposes of recruitment and increase the number of contacts with the persons looking to change jobs is the point

While the prospects for each company's recruitment are uncertain because of the COVID-19 pandemic in 2020, **common characteristics were observed among the companies that certainly succeeded in recruitment, which were clear purposes of recruitment and a high level of engagement with a recruiting firm.** Clarifying the purposes of recruitment and time axis, fragmentation of the processes, and delegation (delegation of authority) of tasks made business cooperation within the company smooth and generated good opportunities to convey corporate efforts and a high level of hiring interest to persons looking to change jobs. With regards to engagement with a recruiting firm, department heads and those at the site actively holding online meetings with recruiting firms and telling stories that cannot be told in job descriptions improved the accuracy of job seeker screening by the recruiting firm and eventually created a difference in the passion of people wishing to apply.

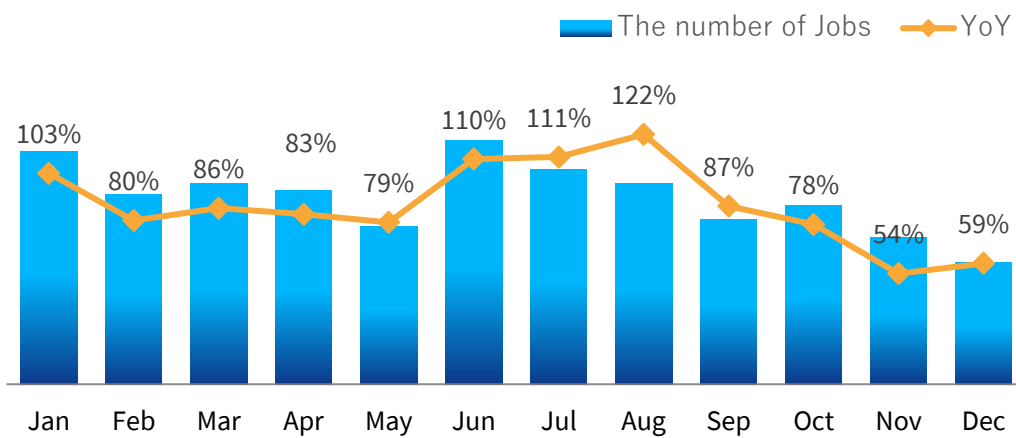
There was a shift from face-to-face interviews to online interviews but, **by actively conducting interviews with persons looking to change jobs and creating connections, there were many cases of companies with successful recruitment in a market where fewer persons were looking to change jobs.**

Building a relationship with a recruiting firm influences the quality of applicants

To succeed in recruitment, it is very important to build a strong partnership between the company and the recruiting firm. If a company conducting recruitment deepens its understanding of the situation in the career-change market and grasps the talent who are available in the market and those who are not in the market, there will be no need for both sides to waste time, and time can be efficiently used. Besides, contacting several recruiting firms to widen the range will lead to spending less time in a dialog with one company; as a result, the risk that the quality and number of potential talents to be introduced may decrease.

By being chosen as one of the few partners of the company conducting recruitment and receiving an exclusive project, a recruiting firm can improve the quality of how they approach potential talents in the market, which will lead to acquiring the willingness to apply by top talent looking to change jobs. A recruiting firm will more clearly understand the talent that a company needs by enhancing its understanding of business by the hiring company and engagements with people on the ground. By doing so, we will, as a result, be able to build a win-win relationship, such as being able to introduce the highly matching talent to them.

The trend in the number of job orders and YoY comparison (Banking and Financial Services)



No. of Job Orders in 2020 (YoY)

86%

Banking and Financial Service Division
Sales Team Manager
Yusuke Genma





Consulting

Gaps in demand in some consulting fields, and the market trend is for a recovery

When briefly dividing the impact of the COVID-19 pandemic into IT/digital consulting and business consulting (personnel affairs, SCM, accounting consulting, etc.) and while IT/digital consulting did not have a significant impact in the first half of the year (April to September) and needs to be expanded in some fields, customer needs notably and dramatically decreased in the business consulting field, and organizations decided to reshuffle their personnel. In addition to the fact that many companies were forced into teleworking due to the COVID-19 pandemic, many companies conventionally planned to invest in internal digitization, and several business cases continue to increase as before in the IT/digital consulting field.

For recruitment, while no significant change took place in the IT/digital consulting, a change was observed in business consulting where the trend strengthened to demand talent who can immediately contribute after joining to acquire new projects, in managers and higher positions. For the second half of the year during and after October, the prospect of the entire consulting market is about to brighten because the impact of COVID-19 has gradually calmed down, and the business consulting field recovered the need for business improvements and new business investments, in addition to the fact that the needs in the IT/digital consulting field remain high.

Increased demand for IT/digital consulting professionals

In 2021, we expect the momentum from the second half of 2020 to continue without change, and the need for talent will increase. Consulting firms offer solutions for customers' business challenges since their services are to give recommendations for the design direction of companies and businesses in three years, five years, or ten years even at a time when the world has become chaotic due to the COVID-19 pandemic.

Currently, prompt digitization is particularly in demand on a global scale due to COVID-19 and because issues in the respective industries and within each company have been highlighted, recruitment is expected to accelerate in IT/digital consulting fields to resolve such challenges.

Increased demand for global talent who can speak English and aggressive recruitment of foreign nationals and women

In the consulting industry, greater needs are arising for digital-related professionals. In particular, the market value of those looking to change jobs who have experience in new technology, such as SaaS, ERP (enterprise resource planning), security, AI, blockchain, and IoT, has grown significantly higher in the present circumstances, and needs can be forecast to further increase. In parallel, because there are fewer projects completed in Japan today, the need for global talent who can speak (or at least read and understand) English has been increasing as well. From the perspective of diversity, companies aggressively recruiting foreign nationals and women are on the rise. Because the consulting business is labor-intensive, an increase in the number of employees equals business growth; therefore, **recruitment of global talent and women is believed to further intensify, centered on the acquisition of talent in the IT/digital x business consulting field.**

Three characteristics of the consulting companies succeeding in recruitment

Companies successfully recruiting in the consulting industry have either of the following elements:

(1) involvement in an advanced project

projects that can realize 0 -> 1 and new technology-related projects

(2) the working environment is attractive

overtime hours, a cooperative system with colleagues, and fair evaluations

(3) an education system is in place

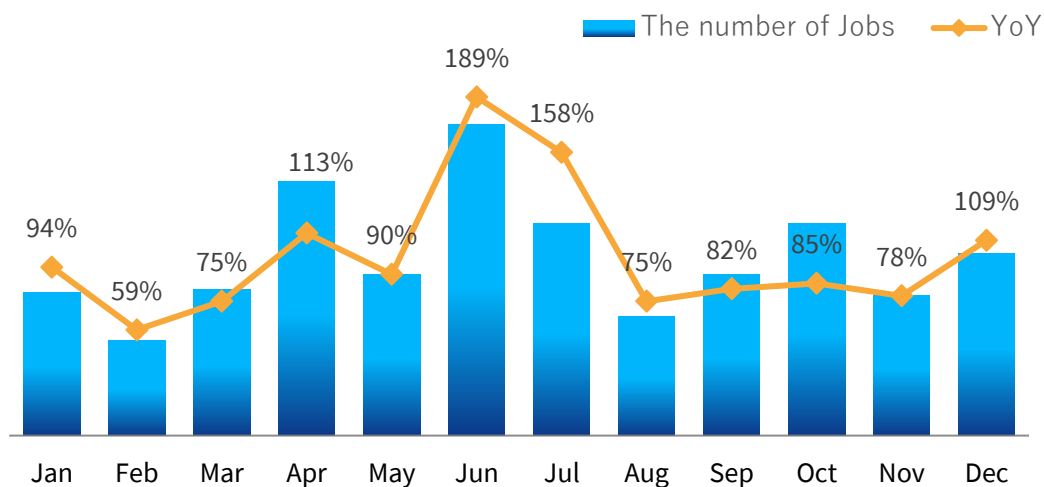
whether they have the environment to educate the young adult segment and those from other industries, rather than recruitment of the only talent who are useful immediately after joining

For companies that would like to become more successful and further enhance recruitment, having these perspectives is believed to lead to further increasing the probability of success in hiring.

Education after joining a company and corporate branding lead success in recruitment

As almost all consulting firms recruit several hundred people annually, in addition to how firms educate those below the level of managers in the potential segment to promote early independence, branding of the company to acquire human resources will become very important. As the background that a major consulting firm's business performance has rapidly expanded over the past few years, they have thoroughly implemented the above-listed two points listed above, penetrated the images of a company with good standing, and premised on education for people looking to change jobs, and realized an increase in the market value of individuals after joining the company. Among consulting firms, many companies stringently select and recruit people from the two perspectives of experience and personality; in particular, there is only a limited number of digital human resources whose needs have been increasing. **Therefore, realizing project execution while educating and executing the recruitment strategy to change the image of the industry is believed to lead to successful recruitment.**

The trend in the number of job orders and YoY comparison (Consulting and Business services)



No. of job orders in 2020 (YoY)

99%

Consulting Division
Sales Team Manager
Yu Hiraoka





Supply Chain Management

The impact of COVID-19 on recruitment in SCM is relatively small

Comparatively speaking, the SCM market was quite robust despite the COVID-19 pandemic, although some industries such as retailers were more affected and had difficulty securing headcount for hiring. SCM recruitment in medical firms and especially pharmaceutical had less COVID-related impact on hiring.

Expected to recover recruitment in 2021

I expect that in 2021 there will be a strong rebound at one point. Although SCM was not as impacted as other sectors or functions there was a decrease in hiring with some roles being placed on hiring freeze etc. With the promising clinical trials and likely approval of a few effective vaccines the likelihood of returning to a semblance of normality will allow firms to have more confidence in filling vacant positions.

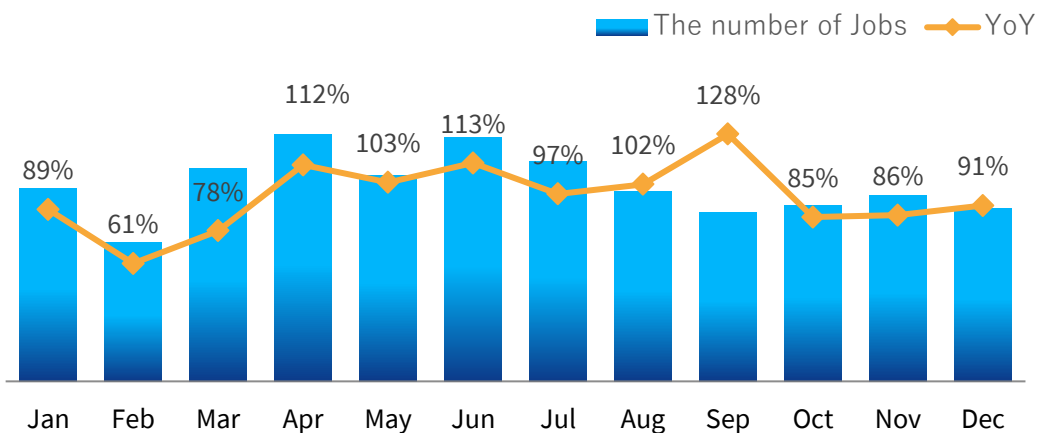
Increasing demand for people who have experience in implementing automation / AI projects is a new trend

The positions with the most demand in the SCM will remain the same. Traditionally, SCM professionals with strong analytical and cross-functional project driving experience such as demand planners will remain high in demand. A newer trend within SCM would be logistics/warehouse professionals that have experience with automation/AI implementation projects. As the SCM takes on higher visibility and a more strategic role within firms, **the successful SCM professional will require the necessary EQ and communication skills to navigate and drive complex projects with both local and global internal/external stakeholders across functions.**

Understanding the requirements of the job and the talent in the market will streamline the hiring process

Which companies hire well, and which companies do not come down to **how closely aligned the hiring managers are with HR and how aligned are their expectations with the existing market.** Companies that routinely involve hiring managers in meetings with recruiters tend to have recruiters that have a much better understanding of the job requirements. Besides, hiring managers can get a better sense of the market from the recruiters and change strategy as required.

The trend in the number of job orders and YoY comparison (Supply Chain Management)



No. of job orders in 2020 (YoY)

94%

Supply Chain Management Division
Sales Team Manager
David Hsu





Human Resources and General Affairs

Significant impact on personnel system such as shifting to working from home system

The COVID-19 pandemic has not only resulted in a significant impact on hiring trends in the HR area for 2020 but also brought a clear demand on HR organizations to address issues on employee safety and the need to establish or adjust existing Work From Home systems (WFH).

Since the COVID-19 outbreak, the en world HR and Corporate Services Team have remained in close contact with a large number of senior leaders in the Japan HR market, sharing and facilitating information exchange on best practices between our customers. We have one of the largest HR teams in the Tokyo market with strong connections across all industries and HR functions. These are the trends we can pull from hiring data and conversations with HR professionals in the market.

HR Agenda - A Change in Priorities

Many HR initiatives planned for 2020 had to stand down in priorities due to the COVID-19 pandemic. From late Q1 and early Q2 high urgency and focus was put on ensuring the health and safety of employees, followed by rules for WFH.

We have seen a distinct difference between companies in their readiness to roll-out WFH, from companies existing flex- or remote work systems and ready access for needed equipment such as laptop PCs, to companies in need of a complete start from scratch. In Q3 and Q4, the focus shifted to how HR can partner with the business and internal stakeholders to address the changes in the market and new work conditions, as well as to how to care for employees both in terms of monitoring their wellbeing and ability to be productive.

HR Managers, HRBP, and C&B functions

Have been focused on rolling out changes to HR/Company policies in the wake of WFH, but also handling performance issues of employees and in some cases reduction in the work force.

L&D functions

Have been tasked with upskilling and reskilling the workforce. Moving training content online, educating managers on how to lead remote teams and training members on how to handle their work remotely.

Recruiting / TA functions

There has been a need of revamping the hiring process, moving it online. We have seen several innovative solutions such as virtual office tours in order to give prospective job seekers a good insight into the company and workplace without the need to physically visit the office.

For HR Operations / HRIS

The key focus has been supporting the digitization of processes while New Business Models and Organization Structures emerge.

The consensus among HR leaders is that there will be **a permanent impact on work style and Company/HR rules even after the COVID-19 crisis is resolved**. Many companies plan to keep a more flexible work style going forward, both in terms of employee engagement but also in terms of cost savings that can be realized from a reduction in office space. This will mean a clear and increased demand for HR professionals that can plan, roll-out, and operate corresponding frameworks.

HR Hiring Trends – Industry and Role Types

We have seen a clear difference in hiring between different industries and the various expertise areas of HR.

HR Hiring Trends by industry

IT/Tech and Healthcare

Have seen the highest demands in the hiring of HR professionals, both for replacement and new headcount roles.

E-commerce and Online content/services

Has seen the largest increase in new headcounts in HR.

Manufacturing, Industrial

Have seen medium hiring demands for HR professionals. There is a high variance in hiring between the different industry segments, but automotive and automotive parts manufacturer has stood out as the most positive.

Consumer Goods and Retail

Had a slow Q1 and Q2 with low demands (especially for apparel retailers during the lockdown) but picked up in Q3 and Q4.

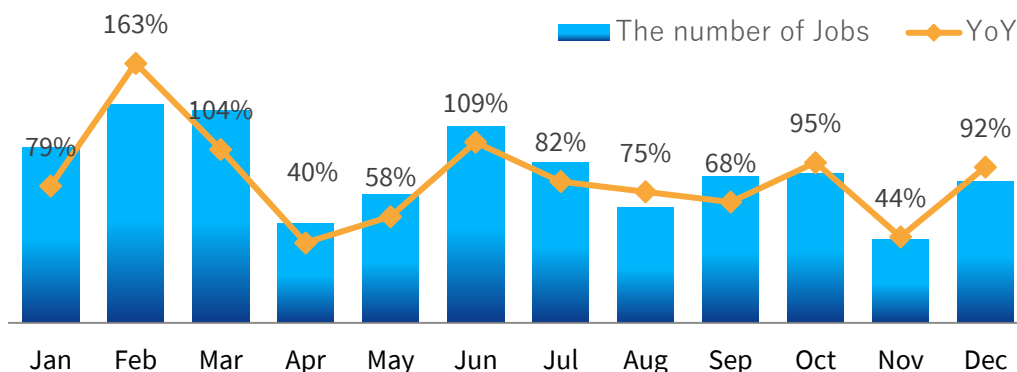
Hospitality and travel industry

Have for obvious reasons seen a drastic decrease in hiring for the HR area. Reduction in the workforce has been commonplace, including in the HR area.

Financial Services industry

The number of HR hiring in the Financial Services industry has been low, but to note this is an industry where the HR function has been stable over the last couple of years and we mainly see replacement hires.

The trend in the number of job orders and YoY comparison (Human Resources and General Affairs)



No. of job orders in 2020 (YoY)

80%

HR hiring trends by job function

HR Heads and HRBPs

Remained in surprisingly high demand considering the market situation. It shows that no matter if the market is up or down, there is a need for strategic HR professionals with the capability to partner with the business.

TA and Recruiters

The need for TA and Recruiters has gone down in 2020, but this was from an exceptionally high demand level last year so the market for TA professionals remains relatively good. Many global companies in Japan have used the overall slowdown in hiring to optimize their TA spend. Therefore, we have seen strong demand for ex-agency recruiters who can address needs indirect sourcing and managing online employer branding. For the same reason, RPO has also become a more popular solution in the Japanese market.

C&B and HR Operations

We have mainly seen the need for replacement hires. However, we have seen a demand for higher expertise in New Benefit Program Designs and People Analytics.

L&D and TM/OD

The demand has been noticeably low, on the other hand, the supply of strong talents in this area has been low for several years which has meant L&D and TM/OD market remain very competitive and salaries are being pushed up.

HRIS / HR Operations

The trend continues for the increasing demand for talents capable of digitization, data, and people analytics. That said, the bulk of the hiring has been replacement searches for operational level talents.

Human Resource and General Affairs Division
Sales Team Manager
Oscar Lundin





Accounting and Finance

The demand for professionals to help with the recovery and sustainment of their company is increasing

It is undeniable that COVID-19 has had a significant impact on the Finance & Accounting recruitment market. This being said, compared to other recruitment fields, I believe it is one of the least affected and very robust in terms of the effect of such negative economic factors. In such trying times, many companies enact strict cost-saving measures, re-forecasting of budgets and targets, and require the expertise of very strong finance professionals.

For this reason, in such times there often is a higher imperative need for these professionals to help with the recovery and sustainment of their company. There have been similar hiring levels or even higher for industries that demand is not greatly affected or increased by the pandemic. Such clear examples would be companies that produce essential medicines or health-related products, large IT companies that have businesses that are contract-based and have re-occurring revenue, or simply companies whose products are sold commonly in supermarkets or convenience stores. A great majority of our Finance & Accounting recruitment business has taken place in such industries.

With the start of supply of vaccines, recruitment demand will be a huge spike

We are very confident that once the vaccine has been distributed, there will be a huge spike and rebound in recruitment. Many foreign capital companies in Japan, despite having dire need, have been constrained by global hiring freezes, once there are lifted, there will be a scramble to secure strong talent. As fore-mentioned, finance plays a critical role in companies in crisis time and ones that were not able to secure headcount will be bullishly hiring. Likewise, I feel that with employees getting used to remote and flexible work, companies maintaining these policies will be far more attractive to job seekers than those without. We have already noticed a significant number of job seekers using this as a key job search criteria when looking for a new employer.

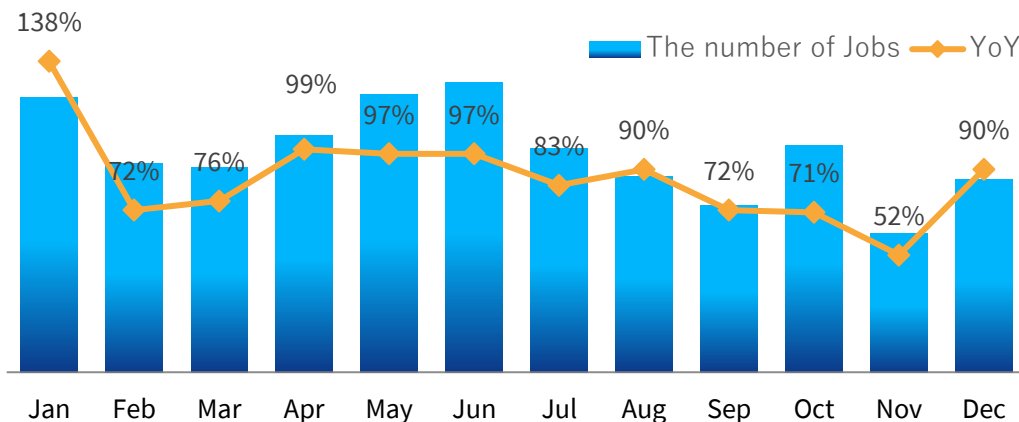
The employers which can offer such working conditions even post-COVID will have a strong advantage in getting the best talent

Talent demand will recover to a level equal to or higher than 2019

After the spike in hiring, the talent demand will return to 2019 levels and most likely higher levels and be an active market. Likewise, after the vaccine is distributed, there will be many more active job seekers in the market. As many job seekers are more risk-averse, we have seen a large number of job seekers put their job-hunting on hold and waiting for more stable times. Both the hiring side and job seekers would increase and which side will be dominant in the market, will depend on the industry.

Job seekers will naturally tend to avoid companies that were drastically affected by COVID as they will feel they are not stable. Thus, these companies will need to work harder to attract talent **while other companies that were less affected will have the upper hand and have a larger pool of talents to choose from.**

The trend in the number of job orders and YoY comparison (Accounting and Finance)



No. of Job Orders in 2020 (YoY)

85%

Companies that have introduced highly flexible work styles, such as remote work, and IT systems to support them will take the lead

Companies that have implemented and will keep flexible working options like remote work and proper systems in place will have a distinct advantage. This will become the new normal and companies that don't adapt will fall behind. Along the same lines, companies will more advance IT/and systems to help communication and working style will be key. For Finance & Accounting professionals, systems that would less need to come to the office and a move to more digital documentation will be a major plus. While these remote working styles are new and still take a lot of adjustments, it can give employers a much wider reach in talent and can potentially hire strong employees from different areas that were not accessible previously. **Flexibility and technological improvement will be the future to successfully attract the best people.**

**Finance and Accounting Division
Sales Team Manager
Justin Kamihara**





Legal and Compliance

Recruitment has slightly recovered since autumn with tightened selection criteria

There were no significant changes in the trend for insourcing in the company of experts in legal affairs that continued from the previous year. The economic boom of the former year continued until February 2020, then was impacted by COVID-19 from March, at which time many foreign capital companies stopped recruiting. Some companies resumed recruiting in the autumn when we started receiving new deals; however, companies tightened their selection criteria since they requested applicants who were qualified lawyers, had English skills, or had experience in industry or management. On the other hand, Japanese companies continued to recruit as they expected to recruit top talent but urgent needs were on a decreasing trend.

Labor demand increase in the IT-related industry centered on young to mid-career level workers

Many recruitment deals were observed in the IT, Web service, FinTech, and life sciences industries targeting young and mid-career level workers. Human resources with advanced compliance and financial crime preventive measure skills in the financial industry were continually in demand, followed by the demand for talent in the compliance sections of the pharmaceutical and medical equipment industries. Besides, recruiting started in the manufacturing and trading companies at the same time as the trend toward enhancing governance with a move in demand for intellectual property professionals for the IT, pharmaceutical, and chemical industries. Many people looking to change jobs were more cautious than before, saw information but did not actively take action, and are now just collecting information for the future. **The key factor in deciding to apply for a position is whether flexible working styles such as telework or flexible time system are available.**

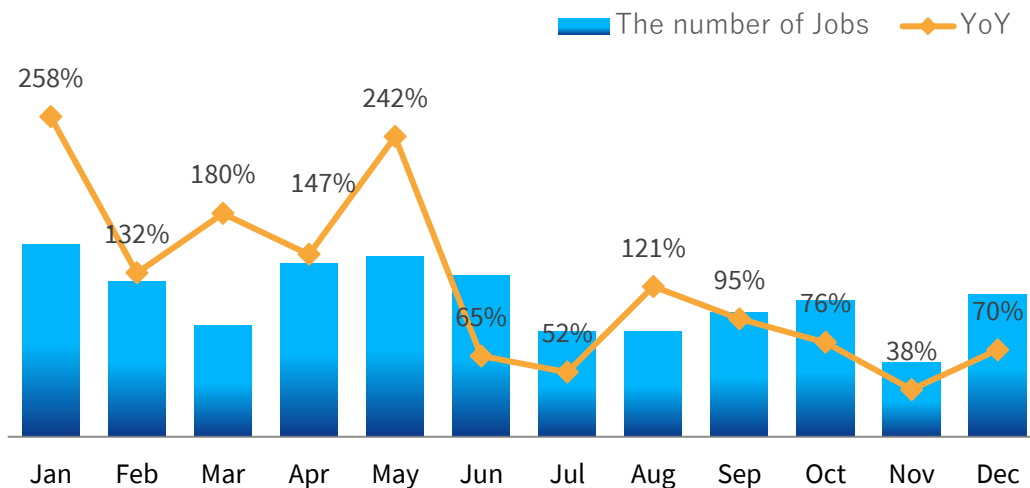
Economic trends have a decisive influence on the number of job orders. The move to insourcing is expected to continue

In 2021, recruitment to increase the number of employees will not grow unless there is an improvement in the economy but demand for launching and one-person legal affairs through insourcing is expected to continue. The potential number of qualified lawyers wanting to change to an in-house position from public relations law firms is substantial, but the actual moves will significantly depend on economic trends. **For highly talented professionals, the significant points for choosing a company will be remuneration, such as the attractiveness of the flexibility in working styles and so on.**

An increase in demand for compliance professionals with the launch of divisions in venture companies

Continuation of the need to recruit Japanese and foreign nationals qualified as lawyers is possible, but the assumption is the demand for one-person legal affairs and the launch of divisions in venture companies, rather than recruitment to increase employees. In addition to the qualification as lawyers, strong demand will be for human resources with hands-on experience in the industry who can respond as a business partner. As for fields, just as before, recruitment will increase for M&A, investment-related positions, international legal affairs, and compliance, including personal information and data security, as well as research on irregularities and responses to scandals.

The trend in the number of job orders and YoY comparison (Legal and Compliance)



No. of Job orders in 2020 (YoY)

98%

Flexibility and a sense of speed in the screening method and casual interviews are keys to success in recruitment

As is often the case, top-performing talents receive multiple offers from companies. **Companies that are flexible, speedy in the hiring process, and explain the details of the position by the division member from the first interview are more likely to proceed well** and win the competition. When facing difficulty in recruitment, we suggest a review as to whether the eligibility requirements, years of experience, and experience in the industry are truly necessary for the job. Turning attention to practical senior persons who are seriously thinking about changing jobs is an option. Currently, many casual interviews during the selection process or before the official selection are effective. **Deepening the understanding of a company vision while confirming the matching of the job seeker's preference and the needs for the position, company culture, the chemistry with department members will also lead to the prevention of mismatches.**

Legal and Compliance Division
Principal Consultant
Kayo Hayashi





Executive Search

Demands for senior leaders rebound in anticipation of post-COVID-19

Before April 2020, we had experienced tremendous growth and activity levels in clients seeking out senior leaders to enhance their business. This created opportunities across industries and functions as many businesses were actively competing for the best talent in the market. Post-April 2020, we experienced a dramatic shift in activity as business priorities shifted from competing for senior talent to utilizing their existing structures to stabilize their business in the wake of COVID-19, and many challenges this brought. Since mid-November as the second wave in Japan subsided workforces had begun to stabilize and acclimatize and Local, Regional, and Global Headquarters began understanding more around future market challenges and opportunities, **transformational hiring at a senior leadership level dramatically increased.**

New expectations for lifestyle, renewable energy, and technology solution services industries

In 2021 we expect to see an increasing trend in senior leadership hiring. Partly this is due to an increased sense of optimism as vaccine programs begin to be rolled out and business priorities are executed as budgeting processes are completed. While we expect the business climate to normalize towards the second half of 2021, 2020 highlighted new priorities and strategies to action and transformation will continue to be a hot buzz word. Not all 2020 was gloomy for businesses. Some of this was predictable, but much of it was not. Some industries have come to the forefront as an increased emphasis on sustainability and purpose has resulted, and others have fallen behind as priorities of consumers have shifted. Look to renewables and technology solution business to continue to lead this change, in addition to lifestyle-related industries.

The demand for transformational leaders will increase

Traditional Marketing departments continue to search out the best in digital and E-commerce and retail businesses scramble to establish a more robust omnichannel presence. Overall, the demand for leaders who are more dynamic, creative, engaging, communicative, and collaborative have only gained in value throughout the pandemic. With the stabilizing of the market and health concerns begin to decline, it is expected that we will return to pre-2020 market trends, though there will be a higher emphasis and demand for such transformational leaders.

Partnership with a reliable consultant is the key to successful recruitment

A strong partnership with the right recruitment professional is not only an extension of your business into the market as an outreach to potential job seekers but also an extension of the experience you want to create throughout your recruitment process. Utilizing the experience of a specialist is key, especially for those with access to talent pools from other industries. Together with a strong knowledge of your business and culture, matches can be made with experiences from other industries that can enhance your existing business. **For clarity into real market conditions, it is often advantageous for clients to receive reports to help them understand transparently what talent pools look like to help them make key hiring decisions.**

For Senior Leadership hires, tailored search strategies built in partnership with an experienced recruitment professional, and executed on in confidential and pinpointed actions, will lead to greater engagement with the right talents. This ensures that the most are made of the targeted talent pools so that key roles are filled more quickly, more successfully, confidentially, and while serving to enhance your employer brand value in the market.

Contribute to improving the degree of match with a thorough understanding of talent needs

Ensuring a talent is a strong match with your business, starts before a process begins. This comes down to how well your recruitment partner knows your business, your culture, and their ability to assess the talent pools they are targeting. It shows consistently that talents can develop skills on the job, but the culture fit is what influences the success of that talent in your business versus those who are not. **Understanding succinctly how they operate, lead, manage, communicate, and work collaboratively is paramount to understanding if a talent is a match to your business and can execute on the business goals.**

Instead of leaving this to chance and our opinions as potential employers and recruitment professionals, we strive to understand this more thoroughly by completing reference checks mid-process, not at the end of a process before an offer being made. Understanding who are the right talents and how they have performed in past and what kinds of situations and cultures they best perform will allow us to match stronger and more consistently to ensure a reduction of mishires and an increase of best hires and retention rates.



Executive Search Division
Director
Scott Wallace





Contract Professionals

The trend of demand for temporary staff is different from that during the Lehman shock

The initial expectation was that the market would follow a similar pattern to what we experienced around the time of the Lehman shock when many FTE requirements were canceled and replaced with requests for temporary staff. The reality was quite different. Temp and contract Job order numbers fell to 65% and 41% of levels in April and May in comparison to 2019. Companies also examined outgoing expenditure and took the approach to reduce the wage bill as quickly as possible resulting in temporary staff being cut, due to the unpredictability of the market. Contracts were not necessarily being canceled mid-contract but were not being extended. For any extensions, there has been a more stringent approach to gaining approval which in many cases required global approval rather than simply a local one. However, this phenomenon was limited mainly to resources performing administrative functions.

A new era has arrived where flexible working styles are required regardless of COVID-19

No one can dismiss the damaging effects the pandemic has had and the uncertainties it has brought with regards to the outlook on the global economy. Coming into December, there appear to be a handful of companies who have developed a vaccine with distribution expected shortly. With this positive news, we are expecting a cautiously optimistic attitude and appetite towards temporary staffing entering the new year especially for critical projects which need to be rolled out. Japan was arguably one of the more successful countries when it came to controlling the spread of COVID-19 and considering years of extremely rigid work practices at most companies, we overall saw companies action the need to work remotely in an effective and time-efficient manner.

The option to work remotely was offered to most of our contract staff, demonstrating how companies had overcome challenges, in a very short space of time, related to building infrastructure to support remote work, IT & information security, and remote work policy creation. Japan still has a tremendous amount of work to do when it comes to digital transformation and ridding itself of antiquated processes such as using traditional style stamps for authorization purposes.

We are in a new norm now which, regardless of a pandemic or not, demands flexible working arrangements. From a professional contractor and staffing perspective, we already see job seekers far more inclined to take on an assignment at companies that are proactively transforming their working style and making the necessary investment in technology to enable both FTEs and temporary staff to enjoy a productive working experience.

Increasing demand for high-level temporary staff for organizational change projects

COVID-19 pandemic has accelerated the need for companies to address matters such as efficient work practices, resource management, cost management, firm-wide technology, and training. Whether it is for fixed-term projects or mid to long-term strategic temp assignments there has been a growing demand for professional contractors with global exposure, high-level projects, proficiency in both English and Japanese, and possess a strategic mindset.

Japan is experiencing upgrades to telecommunication networks/5G technology, upgrades to secure remote infrastructure, market demand for better e-commerce platforms, and business-critical needs for cost reduction. This in turn has resulted in high demand for Project Managers, IT security specialists, business analysts, BCP (Business Continuity Planning) specialists, and Procurement specialists. Adapting to the new norm in 2021 we are already seeing a demand for high-level specialists to contribute to projects looking to address the need for organizational transformation. This could take the form of people with a background in HR management who can contribute to business needs to transform the culture, L&D, or companywide structure of a company. IT could also take the form of governance specialists to ensure corporate transparency, communication, and maintenance of company policies.

Close collaboration with recruitment professionals is an important investment for successful recruitment

A quick decision is required to hire high skill contractors

Companies which are successful when recruiting contractors, work closely with recruitment professionals such as recruitment consultants. Such professionals play a key role in presenting potential talents with a clear picture of the environment and culture a client has to offer. Therefore, working with them to make sure they understand both the role and the culture of the company is a worthwhile investment that pays off by significantly reducing the chance of a mismatch.

It is important also to appreciate that the window to hire top-level performers in the contract market closes quickly. Therefore, a nimble approach is essential when it comes to recruiting good contractors. Good contractors will usually only be on the market towards the end of a project and in the space of a couple of weeks to confirm their next project assignment. Recruiting contractors requires the client to act speedily when it comes to deciding on whether to onboard staff. On the other hand, companies that require multiple talents to be screened and require a further week until deciding typically lose the potential applicants. Finally, we cannot ignore the fact that having a competitive budget for a contractor will increase the chance, not only of onboarding a staff but onboarding a top-level talent who in the long term will save time and money.

**CONTRACT
PROFESSIONALS**

**Contract Professionals Division
Director
James Kikuchi**



Survey of professional contract employees

CONTRACT
PROFESSIONALS

The reason to select a temporary working style

Respondents earning 2,500 yen or more per hour



45%

Experience working in various companies

Respondents earning less than 2,500 yen per hour



63%

Work-Life balance

Priorities in selecting a job

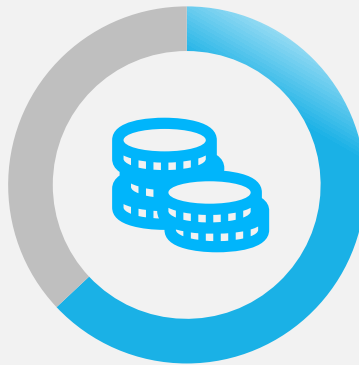
Respondents earning 2,500 yen or more per hour



86%

Content of the work

Respondents earning less than 2,500 yen per hour



90%

Hourly wage



en en world

About en world Japan

Our Services

Organizational success begins with a solid personnel strategy



Permanent recruitment

Mid-career recruitment of middle to high-level global talent



Executive search

Hiring global leaders to lead your organization



Flexible staffing solutions

Bilingual and highly professional talent dispatching business for global companies



Recruitment Process Outsourcing

- Optimizing the hiring process
- Outsourced Recruiting Practices
- Consulting

About en world Japan

We're here to make your strategy a reality as we assist with all your talent-sourcing needs

Securing exceptional talent in today's competitive market is tough. We get that. Some tasks call for specialist knowledge and experience and recruiting the right personnel for your management strategy is one of them.

With 20+ years of hiring support experience under our belt and our very own in-house database of job seekers, carefully maintained and constantly updated, en world is here to put you in touch with the worldwide talent of the highest caliber. Our job isn't to fill empty seats and call it a day. We're about getting to know your organization, your long-term visions, and plans for growth and sustainability, so that we can aid your hiring process in a way that both complements your strategy and results in a satisfied and productive new hire.

We're a Japanese company thoroughly versed in the local market, and at the same time, our multicultural background gives us a global perspective. We're able to smooth the post-placement experience for all parties involved, bridging the gaps between Japanese workplace culture and expectations in other parts of the world. Just take a look at our team: en world itself aspires to be a bastion of diversity and inclusion as we forge the way ahead.



Industry Coverage

- Life Sciences (Medical Devices, Pharmaceuticals, Animal Health, Agricultural Sciences)
- Manufacturing / Industrial (Chemical, Automotive, Machinery, Precision Instruments)
- Technology (Hardware, Software)
- Consumer Goods (FMCG, Fashion & Luxury, Hospitality, Advertising)
- Financial Services (Securities, Banking, Insurance, Asset Management, Real Estate)
- Consulting

Functional Specializations

- Sales & Marketing
- Engineering
- Research & Development
- Accounting / Finance
- Human Resources
- Corporate Services (General Affairs, Administration, Personal Assistants)
- Legal & Compliance
- Supply Chain Management / Procurement
- Information Technology

Our commitment to enabling success

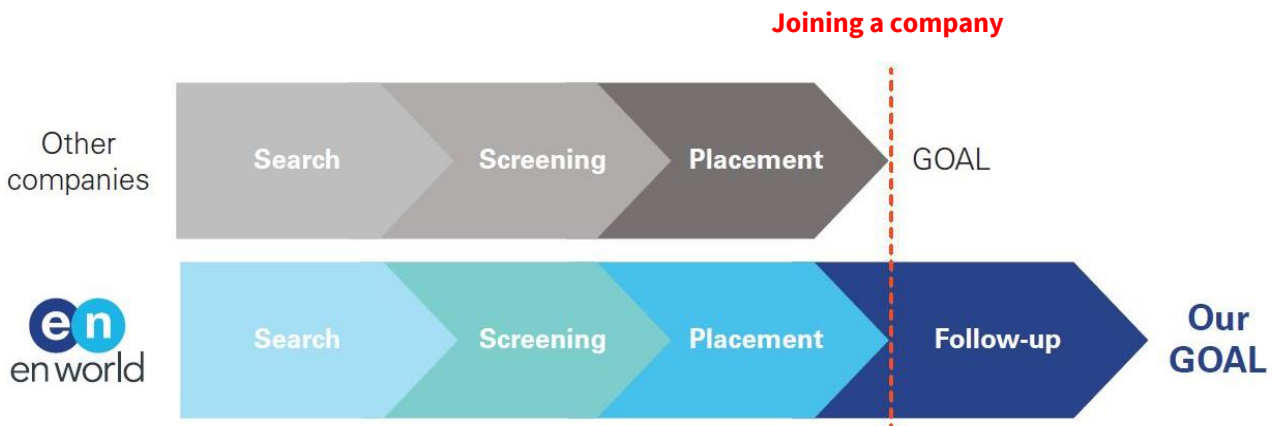
We'll be at your side every step of the way

A career change isn't over as soon as you step into the new job. If anything, the journey is just getting underway. The real excitement starts once you're in the door, thriving in your new environment, contributing to your new team's victories, and furthering your professional growth, all while continuing to pursue enriching personal goals for a fulfilling life.

That's why we don't treat a new job as a single moment that comes and goes. At en world, we care about the journey as a whole, all the way from your earliest inquiries up through your first day on the job and beyond. It's a journey that at times yields inspiring new encounters and chances for self-growth. At other times, it brings you face to face with new challenges to overcome. We're here for both the highs and the lows. We're prepared to stand at your side every step of the way, as you embark on your journey to a new and brighter career, and as you celebrate all the new joys of your fulfilling new role.

That's what enabling success means to us. That's the mission en world is committed to when it comes to serving you.

Our GOAL



Contact us

Tokyo

Tokyo Square Garden 3-1-1 Kyobashi, Chuo-ku Tokyo
104-0031
TEL:03-4578-3500

Nagoya

8F RICCO Sakae, 3-14-7 Sakae, Naka-ku, Nagoya Aichi
460-0008
TEL:052-990-2060

Osaka

4F Maruito Nishiumeda Building, 3-3-45 Umeda Kita-ku,
Osaka-shi Osaka 530-0001
TEL:06-7777-1350

