Results of the "JILPT Panel Survey on the Impact of COVID-19 on Enterprise Management"

(4th wave, June 2021 Survey, First Aggregation)

The impact of the COVID-19 pandemic varies widely depending on industry, with the accommodations, eating and drinking services, transport and other industries particularly severely affected. Meanwhile, the business environment has improved at some enterprises, with many reporting persistent understaffing. Slightly less than 30% of enterprises expect to have an increased number of workers one year from now. The survey (hereinafter, "The Enterprise Survey") is a panel survey conducted in June 2021 that follows up on previous surveys conducted since February 2020, and tracks changes in January, February, March, April, and May 2021.

I. Business Performance of Enterprises

1. Production and sales, etc. of enterprises in May 2021 increased at 18.3% and decreased at 52.1% of enterprises compared to before the COVID-19 pandemic.

Comparison of enterprises' May 2021 figures for production, sales, etc. with those of two years before, in May 2019, showed that more than half (52.1%) of all enterprises were still below pre-pandemic levels, while less than 20% (18.3%) showed an increase compared to before the pandemic (Figure 1). Comparison with the same month the previous year showed an increase for 33.1% and a decrease for 36.8% of enterprises, i.e., nearly 40% of enterprises had yet to return to the levels of May 2020 when economic activity stagnated during the first state of emergency. The findings indicate that the business environment remains severe for many enterprises (Figure 2, see also Figures 3 and 4).

Figure 1. Changes in enterprises' production, sales, etc. (May 2021 compared to May 2019)

(%)

		n	Increased						Almost the same	Decreased						Cannot compare to May 2019
				Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more			Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more	
Total		3,769	18.3	8.2	4.5	2.4	0.8	2.4	27.4	52.1	14.0	14.7	10.8	3.5	9.2	2.2
Region	Hokkaido	206	16.9	9.5	3.3	1.1	0.5	2.4	36.0	46.6	16.9	11.4	10.2	2.7	5.4	0.5
	Tohoku and Kita-Kanto	550	20.5	9.4	6.7	2.8	0.2	1.5	30.4	47.0	12.7	14.8	7.7	3.7	8.1	2.1
	Minami-Kanto	1,179	18.8	7.8	4.4	2.2	1.0	3.5	25.2	53.5	12.1	15.3	11.8	3.7	10.6	2.5
	Hokuriku and Tokai	584	16.6	8.1	2.9	2.1	1.2	2.2	27.1	53.1	14.5	15.0	11.1	4.4	8.1	3.3
	Kinki	632	17.1	6.3	3.8	3.1	1.0	2.9	26.7	55.1	13.7	15.0	12.6	4.3	9.5	1.2
	Chugoku, Shikoku, and Kyushu	618	18.5	8.9	5.1	2.3	0.6	1.6	26.9	52.4	16.4	13.9	10.4	1.8	9.9	2.2
Industry	Construction	596	11.5	3.9	2.5	2.1	0.6	2.3	37.1	48.8	10.8	13.1	11.9	3.3	9.7	2.6
	Manufacturing	1,038	20.0	7.9	5.5	3.1	0.9	2.6	26.4	51.9	14.4	14.8	12.0	4.3	6.4	1.8
	Transport	180	19.8	15.2	3.4	0.6	0.0	0.6	17.5	59.5	23.0	19.6	6.2	2.0	8.7	3.2
	Information and communications	173	31.0	15.4	6.9	2.5	2.8	3.4	31.6	36.1	7.2	11.1	7.3	2.9	7.7	1.3
	Wholesale trade	1,002	19.7	9.2	4.9	2.7	0.9	1.9	23.1	55.4	15.9	16.5	11.1	3.6	8.3	1.9
	Retail trade	170	14.1	7.9	3.8	1.0	0.9	0.6	28.3	55.3	13.4	18.5	13.0	2.9	7.4	2.3
	Services	362	17.1	6.5	5.0	2.2	0.3	3.1	22.6	56.6	12.5	13.7	10.1	3.7	16.6	3.7
	Accommodations, eating and drinking services	40	7.9	0.0	3.3	0.0	0.0	4.6	7.3	84.8	0.3	9.7	4.9	3.7	66.3	0.0
	Medical, health care and welfare	41	17.6	11.7	2.9	2.9	0.0	0.0	50.8	26.5	21.5	4.1	0.6	0.0	0.3	5.1
	Others	167	20.3	10.4	3.0	1.0	0.5	5.4	38.0	39.7	14.4	8.5	7.9	1.2	7.6	2.1
Size of enterprise	Less than 100 employees	3,152	18.2	8.1	4.5	2.4	0.8	2.4	27.4	52.2	13.9	14.7	10.9	3.5	9.3	2.2
	100 to 299 employees	448	22.9	14.2	4.9	2.1	0.5	1.2	25.2	49.9	20.7	16.0	5.1	3.2	4.8	2.0
	300 or more employees	169	22.1	11.7	7.7	0.6	0.0	2.1	30.3	43.6	25.1	11.3	3.0	1.7	2.4	4.1

Note: The approximate percentages by which production, sales etc. increased or decreased were optional responses. As some enterprises did not provide responses, the sums of these percentages do not equal the "increased" or "decreased" totals.

Figure 2. Changes in enterprises' production, sales, etc. (May 2021 compared to the same month the previous year)

(%)

		n	Increased						Almost the same	Decreased						Cannot compare to the same month the previous year
				Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more			Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more	
Total		3,769	33.1	12.0	7.0	4.9	2.1	7.1	27.4	36.8	14.9	7.7	5.9	2.3	6.1	2.6
Region	Hokkaido	206	26.6	14.3	4.4	1.6	0.0	6.2	34.9	36.9	16.6	7.0	5.8	2.7	4.8	1.7
	Tohoku and Kita-Kanto	550	34.7	13.4	8.2	4.2	2.1	6.8	30.4	33.0	15.3	5.8	3.8	3.2	4.9	1.9
	Minami-Kanto	1,179	33.1	11.7	6.9	4.9	2.3	7.3	27.0	36.6	12.5	9.1	5.9	2.0	7.1	3.3
	Hokuriku and Tokai	584	38.4	12.7	5.6	7.8	2.3	10.0	22.1	36.6	14.2	8.2	6.3	2.1	5.8	2.9
	Kinki	632	31.7	9.6	8.1	4.0	2.8	7.2	29.3	37.3	15.1	7.6	6.2	1.6	6.9	1.8
	Chugoku, Shikoku, and Kyushu	618	30.1	12.3	7.1	4.3	1.4	5.0	27.2	39.8	11.6	8.1	8.8	3.1	8.2	2.9
Industry	Construction	596	16.6	5.9	3.4	3.1	1.4	2.8	37.8	42.3	12.3	8.6	9.4	3.3	8.7	3.3
	Manufacturing	1,038	40.6	12.4	8.5	6.9	2.8	9.9	21.5	36.5	14.6	8.1	6.0	2.4	5.5	1.4
	Transport	180	32.0	19.6	9.4	1.9	0.6	0.5	23.8	39.0	25.6	7.7	1.4	1.6	2.7	5.2
	Information and communications	173	33.0	16.5	4.8	3.3	3.9	4.6	34.9	30.6	11.1	6.5	3.5	1.1	8.5	1.5
	Wholesale trade	1,002	35.2	13.7	8.0	5.6	2.4	5.6	24.4	38.8	17.5	7.5	5.8	2.2	5.8	1.6
	Retail trade	170	40.5	15.1	9.5	4.4	1.4	10.1	22.3	32.3	12.1	9.1	8.6	0.5	2.0	4.9
	Services	362	34.0	11.3	5.8	4.1	1.6	11.1	29.3	32.6	13.1	6.0	3.3	3.0	7.2	4.2
	Accommodations, eating and drinking services	40	54.0	8.8	7.4	3.8	0.0	33.9	11.2	28.0	7.6	6.0	6.2	3.2	4.9	6.8
	Medical, health care and welfare	41	35.6	24.0	7.5	3.8	0.0	0.3	29.0	26.0	14.9	0.0	5.4	0.0	5.8	9.4
	Others	167	26.5	8.6	5.8	2.2	0.5	9.4	41.8	28.2	12.8	8.2	2.0	0.7	4.5	3.6
Size of enterprise	Less than 100 employees	3,152	33.0	11.9	7.0	4.9	2.1	7.1	27.4	37.0	14.9	7.7	5.9	2.3	6.2	2.6
	100 to 299 employees	448	43.4	19.0	9.8	4.0	1.4	9.2	28.0	26.6	15.2	8.4	1.6	0.2	1.2	2.0
	300 or more employees	169	41.9	19.7	12.3	3.6	0.6	5.6	33.0	20.2	14.8	1.8	1.7	0.0	1.9	4.9

Note: The approximate percentages by which production, sales etc. increased or decreased were optional responses. As some enterprises did not provide responses, the sums of these percentages do not equal the "increased" or "decreased" totals.

Figure 3. Changes in enterprises' production, sales, etc. compared to the same month the previous year (panel data)

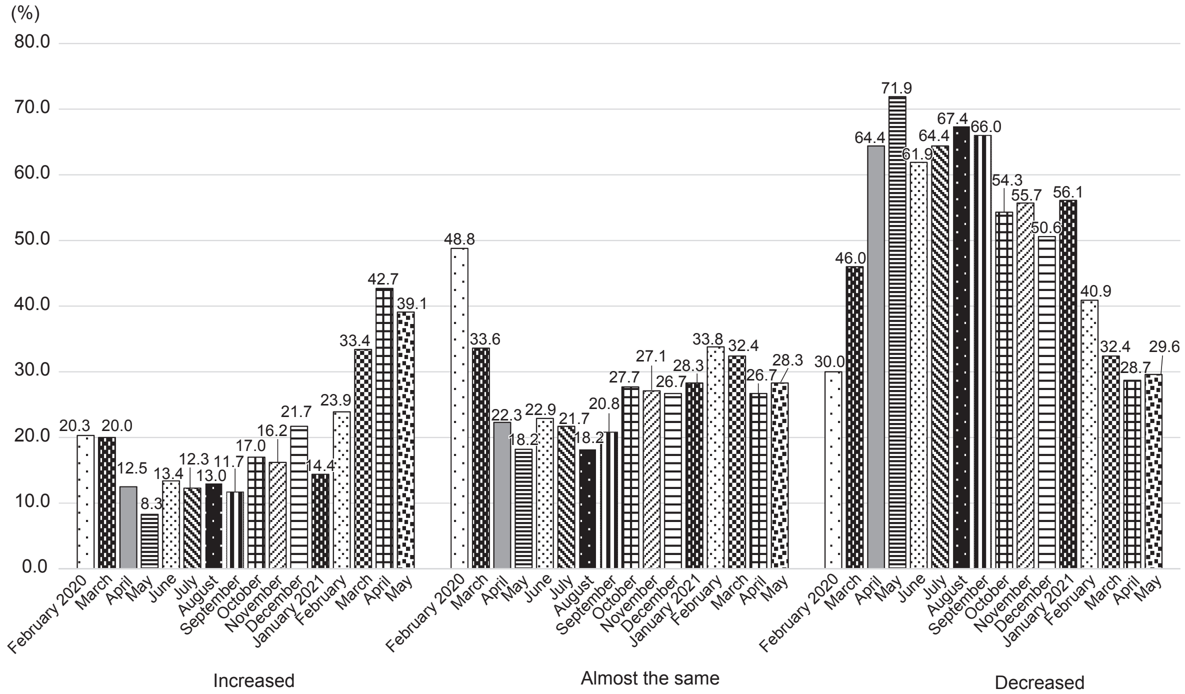
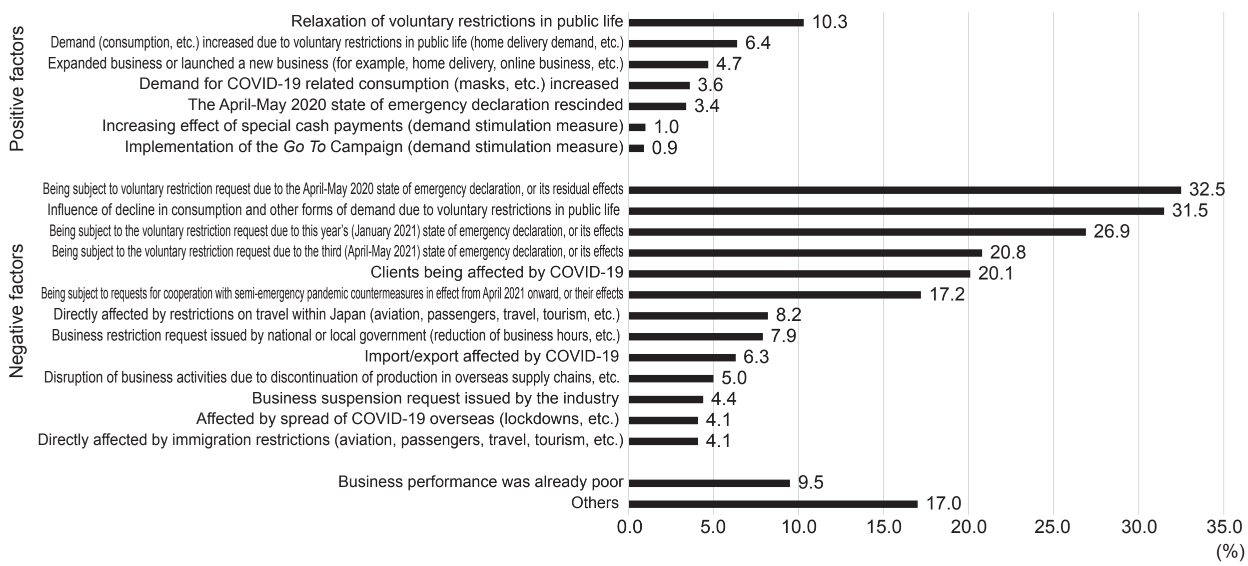


Figure 4. Factors behind changes in enterprises' production, sales, etc. (January-May 2021 compared to the same months the previous year)



Note: 1. This was an optional question. The sample size n (3,631) excludes those enterprises that did not respond.
2. Multiple responses allowed.

2. 17.1% of enterprises saw a year-on-year decrease in personnel expenses. In the accommodations, eating and drinking services industry more than 25% of enterprises saw personnel expenses decline.

In May 2021, 23.5% of enterprises reported personnel expenses that were higher than the same month the previous year, while 17.1% saw a decrease in personnel expenses. For nearly 90% (87.1%) of the latter, the degree of decline was no greater than 20%, smaller than declines in production, sales, etc. By industry, percentages of enterprises reporting an increase in personnel expenses were relatively high in “Information and communications” (36.6%), “Retail trade” (30.9%), “Manufacturing” (26.0%), “Accommodations, eating and drinking services” (25.7%) and “Transport” (25.5%). Percentages of enterprises reporting a decrease in personnel expenses were relatively high in “Transport” (27.5%) and “Accommodations, eating and drinking services” (25.7%) (Figure 5, see also Figures 6 and 7).

Figure 5. Changes in enterprises’ personnel expenses (May 2021 compared to the same month the previous year)

(%)

		n	Increased						Almost the same	Decreased						Cannot compare to the same month the previous year
				Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more			Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more	
Total		3,769	23.5	17.6	3.5	1.2	0.3	0.9	57.8	17.1	11.3	3.6	0.8	0.4	1.0	1.6
Region	Hokkaido	206	30.4	22.9	5.3	1.1	0.0	1.1	59.3	10.3	5.0	3.2	1.1	0.0	1.1	0.0
	Tohoku and Kita-Kanto	550	23.9	17.2	4.2	1.5	0.4	0.6	58.4	17.0	12.2	2.8	0.6	0.4	1.1	0.6
	Minami-Kanto	1,179	20.7	14.8	3.2	1.1	0.3	1.3	60.3	17.0	10.6	3.7	1.3	0.4	0.9	2.0
	Hokuriku and Tokai	584	23.6	17.0	4.2	1.2	0.4	0.8	56.8	18.3	12.0	5.1	0.2	0.4	0.6	1.2
	Kinki	632	24.4	18.3	3.9	1.2	0.2	0.8	56.1	17.8	11.1	3.9	0.6	0.2	1.9	1.8
	Chugoku, Shikoku, and Kyushu	618	24.4	20.1	2.2	1.2	0.2	0.6	56.2	16.9	12.3	2.7	0.8	0.6	0.6	2.5
Industry	Construction	596	22.0	15.5	3.0	1.8	0.4	1.2	60.5	16.0	9.6	3.8	1.1	0.5	1.0	1.5
	Manufacturing	1,038	26.0	19.0	5.1	1.2	0.3	0.4	55.4	18.1	12.6	4.0	0.3	0.3	0.9	0.6
	Transport	180	25.5	18.8	5.1	0.1	0.0	1.6	45.0	27.5	19.8	5.2	0.1	0.0	2.5	2.0
	Information and communications	173	36.6	26.3	5.7	4.0	0.6	0.0	53.2	9.6	5.2	2.3	1.6	0.0	0.6	0.6
	Wholesale trade	1,002	20.7	16.9	1.8	0.7	0.4	1.0	59.5	18.0	12.6	3.3	0.6	0.7	0.8	1.8
	Retail trade	170	30.9	26.5	3.6	0.0	0.0	0.8	53.1	13.8	7.1	3.5	2.7	0.0	0.5	2.2
	Services	362	20.5	14.7	3.2	1.1	0.0	1.5	58.2	17.3	10.2	3.0	1.2	0.5	2.5	4.0
	Accommodations, eating and drinking services	40	25.7	3.4	10.9	5.3	0.0	6.0	44.0	25.7	12.0	11.6	2.2	0.0	0.0	4.6
	Medical, health care and welfare	41	23.2	19.1	3.8	0.0	0.0	0.3	61.9	9.7	5.5	4.2	0.0	0.0	0.0	5.1
	Others	167	16.3	12.5	2.6	1.2	0.0	0.0	71.8	10.1	7.9	1.7	0.6	0.0	0.0	1.8
Size of enterprise	Less than 100 employees	3,152	23.4	17.5	3.5	1.2	0.3	0.9	57.9	17.1	11.3	3.6	0.8	0.4	1.0	1.6
	100 to 299 employees	448	31.2	24.1	5.2	1.0	0.2	0.7	50.8	16.3	13.6	2.3	0.2	0.0	0.2	1.7
	300 or more employees	169	31.1	24.6	4.8	1.1	0.0	0.6	51.6	12.0	9.4	2.5	0.0	0.0	0.0	5.4

Note: The approximate percentages by which personnel expenses increased or decreased were optional responses. As some enterprises did not provide responses, the sums of these percentages do not equal the “increased” or “decreased” totals.

Figure 6. Changes in enterprises' personnel expenses compared to the same month the previous year (panel data)

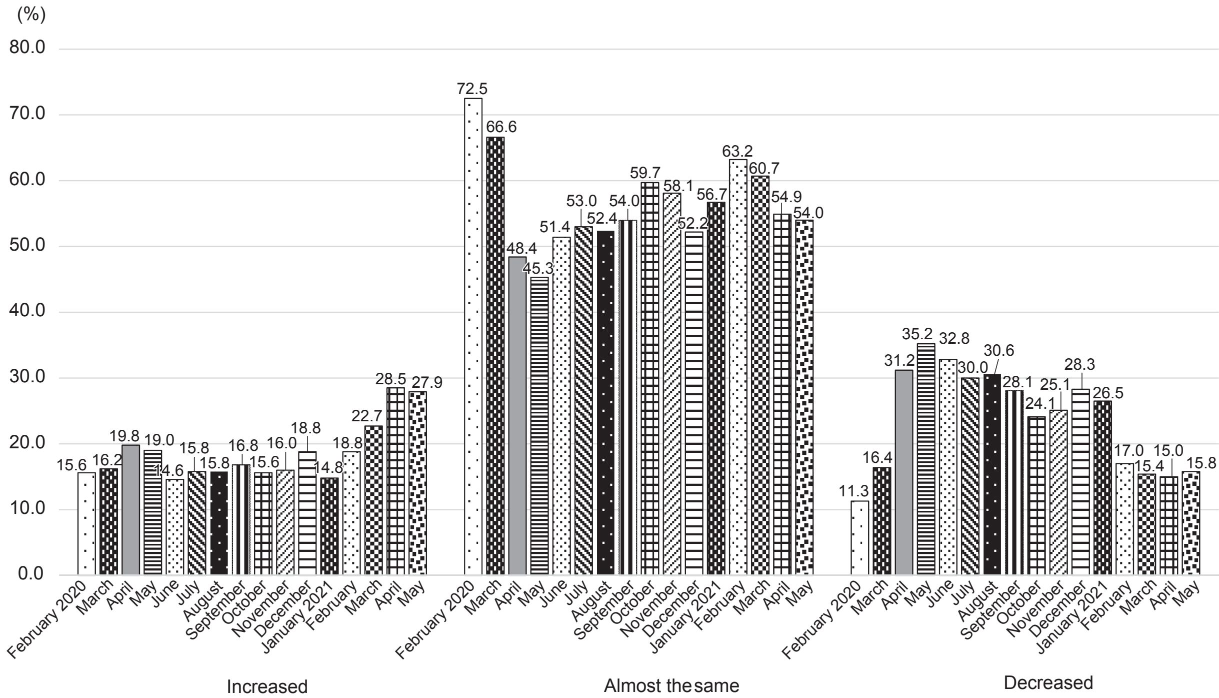


Figure 7. Relationship between increase/decrease in production/sales etc. and those in personnel expenses

(%)

				Personnel expenses							
				Increased	Almost the same	Decreased					Cannot compare
							Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more	
Production / sales, etc.	January 2021		Percentage of enterprises	14.0	67.9	17.1	11.8	3.2	0.9	0.2	0.7	1.0
		Increased	20.7	6.6	12.4	1.6	1.2	0.2	0.1	0.0	0.1	0.1
		Almost the same	33.3	3.1	27.3	2.7	2.1	0.5	0.0	0.0	0.1	0.2
		Decreased	44.7	4.1	27.8	12.5	8.3	2.5	0.8	0.1	0.6	0.3
		Around 10%	17.0	2.1	11.2	3.6	3.2	0.3	0.0	0.0	0.1	0.1
		Around 20%	10.9	1.0	6.7	3.2	2.4	0.8	0.0	0.0	0.0	0.1
		Around 30%	6.5	0.3	4.0	2.1	1.2	0.6	0.3	0.0	0.0	0.1
		Around 40%	2.8	0.2	1.4	1.1	0.6	0.3	0.1	0.0	0.1	0.0
		Around 50% or more	6.9	0.4	4.2	2.2	0.8	0.5	0.3	0.1	0.4	0.1
		Cannot compare	1.3	0.2	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.5
	February		Percentage of enterprises	14.8	67.0	17.1	12.2	3.1	0.7	0.2	0.6	1.1
		Increased	22.2	6.8	13.5	1.8	1.5	0.3	0.0	0.0	0.0	0.1
		Almost the same	32.1	3.2	26.2	2.5	1.9	0.4	0.0	0.0	0.1	0.2
		Decreased	44.4	4.5	26.9	12.6	8.6	2.4	0.7	0.2	0.6	0.4
		Around 10%	17.2	2.4	10.6	4.0	3.6	0.3	0.1	0.0	0.1	0.1
		Around 20%	10.4	1.0	6.6	2.8	1.9	0.8	0.0	0.0	0.0	0.1
		Around 30%	6.7	0.4	3.8	2.4	1.5	0.6	0.3	0.0	0.0	0.1
		Around 40%	2.6	0.1	1.4	1.1	0.7	0.2	0.0	0.1	0.1	0.0
		Around 50% or more	6.7	0.5	4.1	2.0	0.8	0.5	0.3	0.1	0.3	0.1
		Cannot compare	1.4	0.2	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.5
	March		Percentage of enterprises	17.5	64.6	16.9	12.0	2.8	0.9	0.2	0.7	1.1
		Increased	32.7	9.8	18.6	4.1	3.2	0.6	0.2	0.0	0.1	0.2
		Almost the same	29.7	3.7	23.3	2.5	1.9	0.4	0.1	0.0	0.1	0.2
		Decreased	36.2	3.9	22.1	10.0	6.8	1.8	0.7	0.1	0.5	0.2
		Around 10%	14.5	2.1	8.9	3.6	3.1	0.3	0.0	0.0	0.1	0.0
		Around 20%	8.2	0.8	5.0	2.4	1.8	0.5	0.0	0.0	0.0	0.0
		Around 30%	5.7	0.5	3.4	1.8	0.9	0.4	0.4	0.1	0.0	0.0
		Around 40%	1.5	0.1	1.0	0.3	0.3	0.1	0.0	0.0	0.0	0.0
		Around 50% or more	5.6	0.4	3.5	1.7	0.5	0.5	0.2	0.1	0.4	0.0
		Cannot compare	1.5	0.2	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.5
	April		Percentage of enterprises	23.7	58.2	16.8	11.5	3.3	0.7	0.3	0.8	1.2
		Increased	37.7	14.1	18.7	4.7	3.5	1.0	0.1	0.1	0.0	0.2
		Almost the same	27.1	4.9	19.5	2.5	1.8	0.4	0.1	0.0	0.2	0.2
		Decreased	33.3	4.5	19.4	9.2	6.0	1.9	0.5	0.2	0.6	0.1
		Around 10%	13.7	2.4	8.1	3.2	2.6	0.5	0.0	0.0	0.0	0.0
		Around 20%	7.2	0.8	4.1	2.3	1.8	0.4	0.1	0.1	0.0	0.0
		Around 30%	4.8	0.5	2.8	1.4	0.7	0.4	0.2	0.1	0.0	0.1
		Around 40%	1.6	0.1	1.0	0.5	0.2	0.2	0.0	0.0	0.0	0.0
		Around 50% or more	5.3	0.7	3.1	1.5	0.4	0.4	0.2	0.1	0.5	0.0
		Cannot compare	1.9	0.2	0.6	0.4	0.3	0.1	0.0	0.0	0.0	0.7
	May		Percentage of enterprises	24.5	57.0	16.7	11.1	3.4	0.7	0.3	0.9	1.8
		Increased	34.5	13.1	16.9	4.2	3.0	0.8	0.2	0.1	0.1	0.3
		Almost the same	27.9	5.8	19.3	2.7	1.7	0.7	0.1	0.0	0.2	0.2
		Decreased	34.9	5.3	20.1	9.2	6.1	1.8	0.5	0.2	0.6	0.2
		Around 10%	14.4	2.4	8.3	3.6	3.1	0.5	0.0	0.0	0.0	0.1
		Around 20%	7.4	1.2	4.2	2.0	1.4	0.5	0.1	0.0	0.0	0.1
		Around 30%	5.1	0.8	3.0	1.4	0.8	0.2	0.2	0.0	0.0	0.0
		Around 40%	1.9	0.3	1.1	0.5	0.2	0.1	0.0	0.1	0.1	0.0
		Around 50% or more	5.3	0.6	3.2	1.5	0.3	0.5	0.1	0.1	0.5	0.1
		Cannot compare	2.6	0.3	0.7	0.5	0.4	0.1	0.0	0.0	0.0	1.1

Notes: 1. Percentages listed are percentages of all responding enterprises.

2. The approximate percentages of decrease were optional responses. As some enterprises did not provide responses, the sums of these percentages do not equal the "decreased" totals.

II. Increase/Decrease in Workers and Overstaffing/Understaffing at Enterprises

1. The number of workers in May 2021 increased at 17.8% of enterprises and decreased at 19.3% of enterprises compared to before the COVID-19 pandemic. Slightly less than 30% of enterprises expected to see their number of workers increase over the next year.

In terms of increase/decrease in number of workers in May 2021 compared to the same month of the previous year, about 70% (70.7%) of enterprises reported the number of workers as “almost the same,” and the percentage of enterprises that saw an increase in workers (15.6%) exceeded the percentage that saw a decrease (13.7%). In accommodations, eating and drinking services, close to 40% (38.6%) saw a decline in the number of workers (Figure 8, see also Figure 9 for panel data). The percentage of enterprises reporting a decrease (19.3%) exceeds the percentage reporting an increase (17.8%) compared to December 2019, before the outbreak of the COVID-19 pandemic, but only by a small amount. By industry, while 68.4% of enterprises in accommodations, eating and drinking services and 27.0% in retail trade reported decreases on this metric, there was an increase of 39.4% in information and communications industry (Figure 10). With regard to expected rise or drop in the number of workers one year after the survey, nearly 30% (28.0%) expected to see the number of workers increase, a much higher percentage than those expecting a decrease (8.5%) (Figure 11).

Figure 8. Changes in number of workers at enterprises by form of employment (May 2021 compared to the same month the previous year)

(%)

		n	Worker total			Regular employees				Part-time workers/Contract workers				Dispatched workers			
			Increased	Almost the same	Decreased	Did not have workers to begin with	Increased	Almost the same	Decreased	Did not have workers to begin with	Increased	Almost the same	Decreased	Did not have workers to begin with	Increased	Almost the same	Decreased
Total		3,729	15.6	70.7	13.7	(12.3)	15.3	72.3	12.4	(41.5)	8.3	79.4	12.2	(81.8)	8.9	75.9	15.2
Region	Hokkaido	205	17.9	72.4	9.7	(15.0)	20.0	70.2	9.9	(47.9)	16.3	72.7	11.0	(88.1)	24.3	60.6	15.1
	Tohoku and Kita-Kanto	541	17.1	67.8	15.0	(13.0)	15.7	69.4	14.9	(42.0)	11.1	77.1	11.7	(83.6)	11.3	77.3	11.3
	Minami-Kanto	1,169	12.8	73.8	13.4	(10.5)	12.5	76.3	11.2	(41.1)	5.7	82.0	12.3	(78.9)	8.6	76.8	14.6
	Hokuriku and Tokai	575	13.7	72.5	13.9	(13.4)	13.2	74.1	12.7	(38.1)	8.2	79.0	12.8	(79.7)	8.2	75.6	16.2
	Kinki	626	17.0	69.9	13.1	(10.8)	16.3	70.1	13.6	(40.6)	7.6	79.5	12.9	(81.0)	6.6	70.4	23.1
	Chugoku, Shikoku, and Kyushu	613	17.7	68.2	14.1	(13.6)	18.3	70.6	11.1	(43.9)	8.7	79.7	11.6	(84.9)	8.4	81.6	10.0
Industry	Construction	589	14.7	74.1	11.2	(15.0)	16.8	74.4	8.8	(60.7)	4.2	87.9	7.9	(90.1)	10.6	72.1	17.3
	Manufacturing	1,028	15.3	70.0	14.7	(10.2)	15.2	72.2	12.7	(31.3)	8.9	78.9	12.2	(71.9)	9.9	74.1	16.0
	Transport	177	22.0	66.0	12.0	(15.9)	17.9	69.2	12.9	(37.9)	14.6	75.0	10.4	(80.4)	5.4	61.1	33.5
	Information and communications	170	30.1	58.3	11.6	(8.3)	31.2	58.7	10.1	(48.2)	4.4	86.1	9.4	(72.4)	9.3	83.4	7.3
	Wholesale trade	989	12.8	74.5	12.7	(11.3)	11.8	75.8	12.4	(42.6)	7.8	82.2	10.0	(86.2)	9.6	82.5	7.9
	Retail trade	170	18.7	65.8	15.5	(17.5)	12.0	70.0	18.0	(29.5)	14.8	73.1	12.1	(85.0)	0.4	65.3	34.4
	Services	360	17.1	64.7	18.2	(12.4)	18.6	65.2	16.2	(38.5)	8.7	72.3	19.1	(82.7)	11.8	69.3	18.9
	Accommodations, eating and drinking services	40	13.6	47.8	38.6	0.0	6.8	69.8	23.4	0.0	13.2	48.7	38.1	(91.9)	0.0	51.2	48.8
	Medical, health care and welfare	41	16.7	65.8	17.5	(13.8)	11.6	76.7	11.6	(43.4)	1.6	67.5	30.9	(78.4)	1.4	95.7	3.0
	Others	165	13.3	77.5	9.2	(17.6)	13.9	77.0	9.1	(46.4)	5.8	81.5	12.6	(84.2)	0.0	92.7	7.3
Size of enterprise	Less than 100 employees	3,115	15.4	70.9	13.7	(12.4)	15.1	72.5	12.4	(41.8)	8.3	79.5	12.2	(82.4)	8.9	76.1	15.0
	100 to 299 employees	447	26.0	59.5	14.5	(8.5)	25.6	61.9	12.5	(19.7)	8.1	76.1	15.7	(44.7)	10.8	70.7	18.5
	300 or more employees	167	24.6	68.5	6.9	(4.1)	30.8	62.7	6.4	(13.5)	8.0	79.3	12.7	(22.6)	6.3	76.8	16.9

Notes: 1. The percentages for “Increased,” “Almost the same,” and “Decreased,” for each form of employment, are the percentages when the number obtained by subtracting “Did not have workers to begin with” from the total is set at 100%.
2. This was an optional question. The sample size n (3,729) excludes those enterprises that did not respond.

Figure 9. Changes in number of workers at enterprises compared to the same month the previous year (panel data)

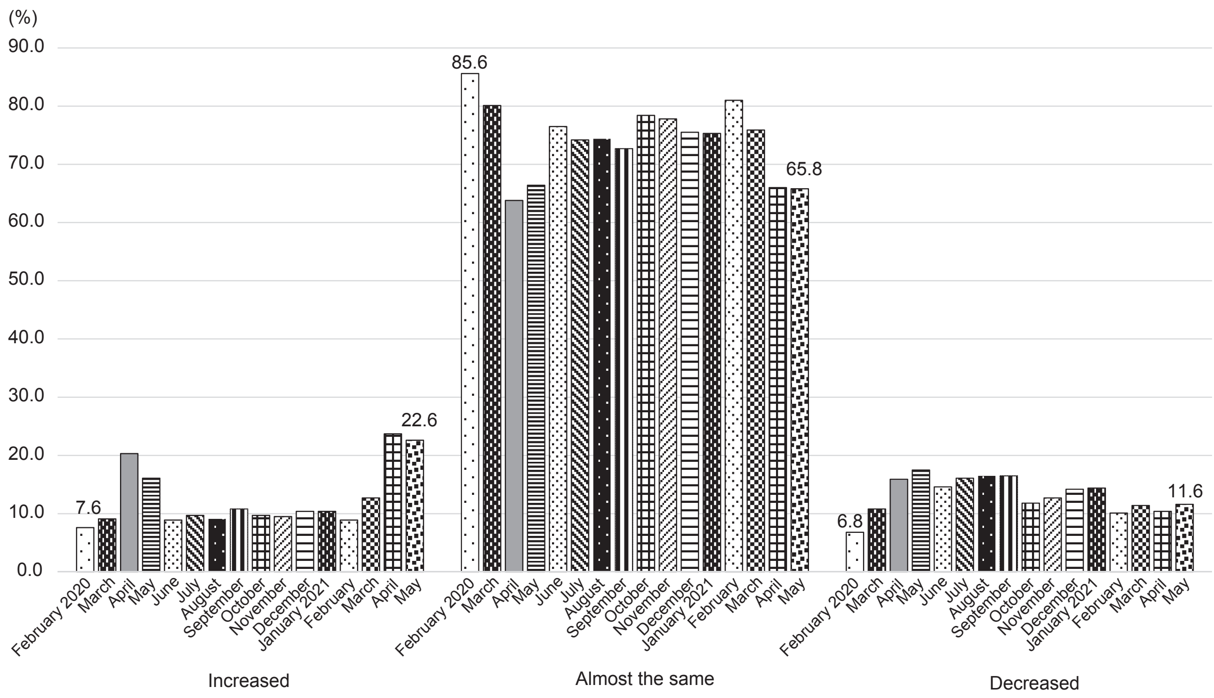


Figure 10. Increase/decrease in number of workers in May 2021 compared to before the outbreak of the COVID-19 pandemic (prior to December 2019)

(%, percentage points)

		n	Increased						Almost the same	Decreased						Cannot compare	Increase – decrease
				Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more			Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more		
Total		3,736	17.8	14.8	1.9	0.7	0.2	0.3	60.5	19.3	13.5	3.4	1.2	0.3	1.0	2.4	−1.4
Region	Hokkaido	203	17.1	13.3	2.7	0.5	0.0	0.5	66.6	14.7	9.8	2.7	2.2	0.0	0.0	1.6	2.4
	Tohoku and Kita-Kanto	544	15.5	13.0	1.3	0.9	0.2	0.2	59.3	22.8	16.4	2.8	1.9	0.4	1.3	2.3	−7.3
	Minami-Kanto	1,173	15.0	12.7	1.4	0.5	0.0	0.4	64.4	17.8	12.2	3.1	1.2	0.2	1.1	2.8	−2.8
	Hokuriku and Tokai	578	19.7	16.1	2.3	1.1	0.0	0.2	57.3	21.0	14.2	4.9	1.2	0.0	0.6	2.1	−1.3
	Kinki	625	18.6	15.9	1.6	0.6	0.4	0.2	59.7	20.0	13.1	3.2	1.4	1.0	1.4	1.7	−1.3
	Chugoku, Shikoku, and Kyushu	613	20.7	16.9	2.6	0.6	0.4	0.2	59.2	17.2	13.2	3.0	0.2	0.2	0.6	2.9	3.6
Industry	Construction	594	18.0	14.5	2.0	0.8	0.4	0.3	62.6	15.4	9.3	3.5	2.1	0.2	0.4	4.0	2.6
	Manufacturing	1,028	18.5	15.9	2.3	0.3	0.0	0.0	58.0	22.0	16.6	3.7	0.7	0.0	1.0	1.5	−3.5
	Transport	179	19.8	14.9	1.2	1.7	1.0	1.0	58.2	22.0	19.0	1.8	0.5	0.0	0.7	0.1	−2.3
	Information and communications	171	39.4	31.5	4.1	3.0	0.0	0.8	47.6	11.4	5.1	3.2	0.0	1.4	1.8	1.6	27.9
	Wholesale trade	991	14.6	12.3	1.5	0.5	0.0	0.3	65.6	17.6	12.4	2.6	0.9	0.6	1.1	2.2	−3.0
	Retail trade	168	17.4	16.5	1.0	0.0	0.0	0.0	55.5	27.0	20.6	4.4	1.3	0.0	0.7	0.0	−9.6
	Services	358	19.4	15.8	1.9	0.7	0.3	0.6	56.2	19.4	12.3	3.2	2.0	0.3	1.7	5.0	−0.0
	Accommodations, eating and drinking services	40	11.1	11.1	0.0	0.0	0.0	0.0	20.6	68.4	35.1	21.9	7.9	3.2	0.3	0.0	−57.3
	Medical, health care and welfare	41	12.7	8.9	3.8	0.0	0.0	0.0	73.3	14.0	13.7	0.0	0.0	0.0	0.3	0.0	−1.2
	Others	166	11.4	8.2	1.3	1.1	0.7	0.0	69.6	15.3	11.3	3.0	0.5	0.0	0.5	3.8	−3.9
Size of enterprise	Less than 100 employees	3,126	17.7	14.7	1.9	0.7	0.2	0.3	60.7	19.2	13.4	3.4	1.2	0.3	1.0	2.4	−1.5
	100 to 299 employees	443	29.5	26.5	2.4	0.7	0.0	0.0	46.8	23.2	18.8	2.5	1.2	0.0	0.7	0.5	6.4
	300 or more employees	167	22.8	19.7	1.8	1.2	0.0	0.0	53.5	22.1	18.4	3.0	0.0	0.0	0.6	1.7	0.7

Note: This was an optional question. The sample size n (3,736) excludes those enterprises that did not respond.

Figure 11. Expected increase/decrease in workers one year from time of survey (May 2021)

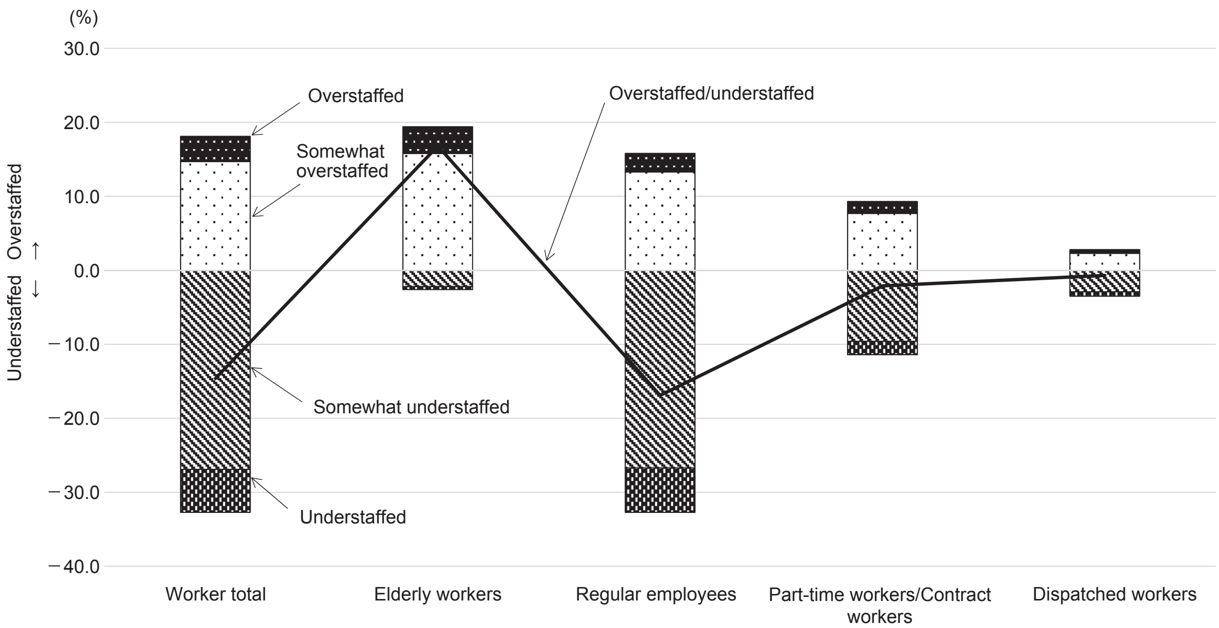
(%, percentage points)

		n	Increased						Almost the same	Decreased						Cannot compare	Increase – decrease
				Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more			Around 10%	Around 20%	Around 30%	Around 40%	Around 50% or more		
Total		3,728	28.0	23.2	3.4	1.1	0.1	0.3	63.5	8.5	6.2	1.2	0.5	0.1	0.6	2.4	19.5
Region	Hokkaido	204	27.3	22.9	2.2	1.7	0.5	0.0	64.6	8.1	6.5	1.1	0.5	0.0	0.0	1.6	19.2
	Tohoku and Kita-Kanto	547	31.4	26.3	4.1	1.1	0.0	0.0	59.4	9.1	7.4	1.1	0.4	0.0	0.2	2.3	22.3
	Minami-Kanto	1,167	26.5	21.8	3.3	0.8	0.1	0.5	63.9	9.6	6.9	0.9	0.8	0.0	1.0	2.8	16.9
	Hokuriku and Tokai	574	26.6	22.4	2.9	1.0	0.0	0.2	63.6	9.8	6.3	2.0	0.6	0.2	0.6	2.1	16.8
	Kinki	624	27.8	22.0	4.0	1.2	0.0	0.6	64.6	7.7	5.1	1.4	0.6	0.2	0.4	1.7	20.1
	Chugoku, Shikoku, and Kyushu	612	28.6	24.0	3.0	1.2	0.2	0.2	64.9	6.5	5.1	1.0	0.0	0.0	0.4	2.9	22.0
Industry	Construction	587	29.8	23.1	4.5	1.5	0.4	0.4	61.9	8.2	6.0	1.4	0.5	0.0	0.3	4.0	21.6
	Manufacturing	1,028	30.6	27.9	2.4	0.4	0.0	0.0	62.9	6.5	4.8	0.9	0.2	0.0	0.5	1.5	24.2
	Transport	179	33.0	25.3	5.8	0.9	0.0	1.0	54.9	12.1	11.3	0.8	0.0	0.0	0.0	0.1	20.8
	Information and communications	171	48.1	38.2	6.1	3.8	0.0	0.0	45.0	6.9	4.6	0.0	0.9	0.8	0.6	1.6	41.2
	Wholesale trade	993	23.1	20.3	1.9	0.5	0.1	0.3	67.1	9.8	7.1	1.4	0.7	0.1	0.5	2.2	13.4
	Retail trade	168	25.9	20.2	3.8	1.1	0.0	0.7	61.2	12.9	9.2	3.0	0.7	0.0	0.0	0.0	13.0
	Services	358	25.6	18.5	4.4	1.8	0.0	0.8	67.4	7.0	4.0	0.7	0.6	0.0	1.7	5.0	18.5
	Accommodations, eating and drinking services	40	40.2	18.8	15.4	6.0	0.0	0.0	50.8	8.9	6.8	2.2	0.0	0.0	0.0	0.0	31.3
	Medical, health care and welfare	41	15.6	12.7	2.9	0.0	0.0	0.0	78.4	6.0	1.5	4.2	0.0	0.0	0.3	0.0	9.7
	Others	164	20.0	14.1	3.8	2.1	0.0	0.0	69.0	11.0	8.0	1.5	1.0	0.0	0.5	3.8	9.0
Size of enterprise	Less than 100 employees	3,113	27.9	23.1	3.4	1.1	0.1	0.3	63.5	8.5	6.2	1.2	0.5	0.1	0.6	2.4	19.4
	100 to 299 employees	447	32.4	30.0	2.0	0.5	0.0	0.0	59.4	8.1	7.0	1.0	0.0	0.0	0.2	0.5	24.3
	300 or more employees	168	30.4	27.3	2.4	0.7	0.0	0.0	60.1	9.5	9.5	0.0	0.0	0.0	0.0	1.7	20.9

2. Even during the COVID-19 pandemic, enterprises have a deep-rooted sense of being understaffed, and are strengthening a stance of maintaining employment.

As for the staffing situation at enterprises at the end of May 2021, the total of enterprises reporting they were “overstaffed” or “somewhat overstaffed” was 18.1%, while the total reporting they were “understaffed” or “somewhat understaffed” was 32.7%, showing that overall there is a perceived labor shortage (Figure 12). In terms of the duration for which employment can be maintained assuming May 2021 levels of production, sales, etc. continue into the future, nearly 20% (18.8%) of enterprises estimated “Around six months,” and nearly one-third (31.7%) estimated “One year.” On the other hand, more than 60% (64.4%) responded either “Employment cuts are unnecessary” (39.6%) or “More than two years (no immediate plans for employment cuts)” (24.8%) (Figure 13, see also Figure 14). When analysis is limited to enterprises continuously responding to this series of surveys, it is evident that enterprises are strengthening their stance of maintaining employment (Figure 15).

Figure 12. Staffing situation at enterprises as of the end of May 2021



Note: 1. “Overstaffed/understaffed” is determined by subtracting the percentages of “understaffed” and “somewhat understaffed” from those of “overstaffed” and “somewhat overstaffed.”
2. Here “elderly workers” refers to those aged 60 or above, regardless of employment form.

Figure 13. Possible length of employment maintenance if current production, sales, etc. levels continue

(%)

		n	Employment cuts already implemented	Around one month	Around two months	Around three months	Around six months	Around one year	Around two years	More than two years (no immediate plans for employment cuts)	Employment cuts are unnecessary
Total		3,755	1.9	0.7	1.4	3.6	11.2	12.9	3.9	24.8	39.6
Region	Hokkaido	205	1.1	1.1	1.1	3.2	7.1	8.6	3.7	28.0	46.1
	Tohoku and Kita-Kanto	550	1.9	0.2	1.1	5.6	10.9	12.2	4.4	23.6	40.1
	Minami-Kanto	1,174	2.1	0.7	1.6	3.4	13.0	14.3	4.6	24.0	36.2
	Hokuriku and Tokai	581	3.7	0.6	2.5	3.9	11.1	12.0	3.3	24.8	38.2
	Kinki	632	1.6	0.0	1.0	2.1	12.7	15.3	4.6	23.8	39.0
	Chugoku, Shikoku, and Kyushu	613	0.6	1.6	0.8	3.5	8.8	11.5	2.8	26.8	43.7
Industry	Construction	594	0.3	0.1	1.9	3.0	11.6	11.3	5.4	23.6	42.7
	Manufacturing	1,035	2.2	0.5	1.9	4.3	12.4	14.7	3.9	24.3	35.8
	Transport	179	0.0	0.9	2.4	8.7	14.9	9.8	0.8	27.7	35.0
	Information and communications	172	0.8	1.7	0.0	1.8	10.5	13.4	1.4	24.5	45.9
	Wholesale trade	997	1.5	0.8	1.0	3.1	10.4	13.3	4.3	27.3	38.2
	Retail trade	169	6.5	0.0	0.0	5.3	13.3	12.7	3.6	20.5	38.1
	Services	362	3.0	1.6	0.6	4.0	9.7	12.5	3.5	22.7	42.5
	Accommodations, eating and drinking services	40	10.4	2.2	5.2	8.9	19.3	23.8	3.3	23.2	3.7
	Medical, health care and welfare	41	0.0	0.0	0.0	0.0	0.6	11.2	0.3	20.9	67.0
	Others	166	2.2	0.5	2.0	0.0	5.6	7.0	3.6	23.9	55.2
Size of enterprise	Less than 100 employees	3,141	1.9	0.7	1.4	3.7	11.2	12.9	3.9	24.7	39.5
	100 to 299 employees	446	1.3	0.2	1.4	1.5	7.1	11.3	3.1	29.5	44.5
	300 or more employees	168	2.4	0.6	0.0	1.7	7.6	4.8	3.5	31.6	47.9

Note: This was an optional question. The sample size n (3,755) excludes those enterprises that did not respond.

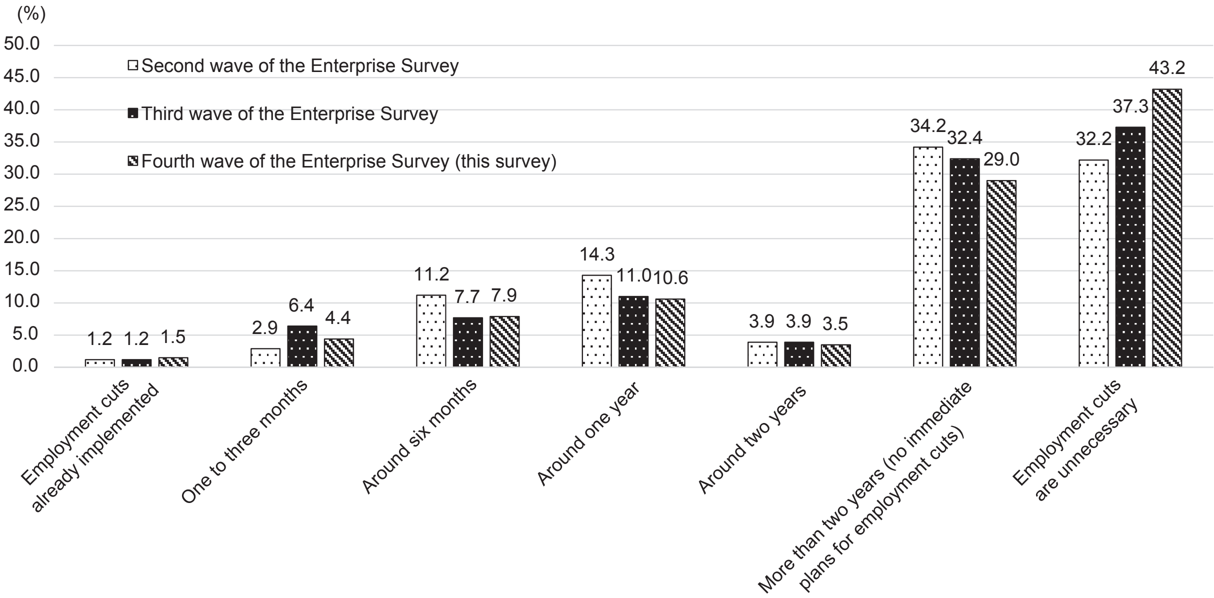
Figure 14. Relationship between increase/decrease in production/sales etc. and possible length of employment maintenance

(%)

		n	Employment cuts already implemented	Around one month	Around two months	Around three months	Around six months	Around one year	Around two years	More than two years (no immediate plans for employment cuts)	Employment cuts are unnecessary
May 2021	Total	3,755	1.9	0.6	1.3	3.3	10.7	12.5	3.9	25.5	40.3
	Increased	1,298	1.5	0.2	1.2	2.3	7.6	9.9	3.2	27.2	46.8
	Around 10%	486	1.0	0.4	1.0	2.1	5.3	8.8	2.7	30.2	48.4
	Around 20%	280	0.7	0.0	1.4	1.8	7.9	6.8	4.3	28.6	48.6
	Around 30%	173	2.3	0.0	1.2	2.9	13.3	11.0	3.5	22.5	43.4
	Around 40%	71	2.8	0.0	1.4	1.4	5.6	12.7	4.2	26.8	45.1
	Around 50% or more	271	2.2	0.4	1.5	3.3	8.9	13.3	2.2	23.6	44.6
	Almost the same	1,047	1.1	0.6	0.9	2.5	8.6	11.3	4.1	26.2	44.8
	Decreased	1,311	2.8	0.8	1.8	4.9	15.9	16.1	4.5	23.4	29.7
	Around 10%	541	1.8	0.6	0.9	3.1	10.5	15.7	3.3	26.4	37.5
	Around 20%	279	4.7	0.7	1.4	4.7	20.4	11.5	6.5	24.0	26.2
	Around 30%	192	3.6	1.0	3.1	5.2	16.1	17.2	7.3	22.9	23.4
	Around 40%	71	1.4	1.4	4.2	5.6	21.1	23.9	4.2	18.3	19.7
	Around 50% or more	200	3.0	1.5	3.0	9.5	21.5	19.5	3.0	17.0	22.0
	Cannot compare	99	2.0	3.0	1.0	4.0	6.1	10.1	3.0	22.2	48.5

Note: 1. Enterprise percentages represent figure obtained by setting total for each category at 100%.
2. The approximate percentages by which production, sales etc. decreased were optional responses. As some enterprises did not provide responses, the sums of these percentages do not equal the "decreased" totals.

Figure 15. Changes in possible length of employment maintenance if current production, sales, etc. levels continue (panel data)



III. Status of Implementation of Working from Home (Teleworking)

1. Percentage of enterprises implementing teleworking has been rising gradually since the second state of emergency declaration

The status of implementation of working from home (teleworking) was examined by verifying the change in implementation rate among enterprises that have been continuously responding to the surveys since the first wave of the Enterprise Survey (n = 383). The percentage of enterprises implementing working from home (teleworking) had been on a downward trend since June 2020, after the first state of emergency was lifted, but when the second state of emergency was declared again in January 2021, it rose to 41.0%, then after a dip it rose over the March-May period, reaching 40.7% in May (Figure 16). By region, “Minami-Kanto” followed by “Kinki” had relatively high implementation rates. While implementation rates varied depending on the region, the rates trended downward from June 2020 onward in all regions, but rose again in almost all regions as of January 2021 (Figure 17). By industry, the data continues to show major differences between industries. The highest rate, in “Information and communications,” had fallen to 79.2% in May 2021, but nearly 80% of enterprises were still implementing teleworking. “Manufacturing,” “Services,” and “Wholesale trade,” have been on an upward trend since the beginning of 2021 which continued as of May. “Retail trade,” which has a relatively low implementation rate, has also shown an upward trend in 2021, while implementation rate remains generally flat in “Transport” (Figure 18). By size of enterprise, larger sizes were directly correlated with higher implementation rates. The implementation rate among enterprises with 300 or more employees has stayed almost flat since the fall of 2020, while there has been an upward trend among enterprises with 100-299 employees in 2021, and a slight upward trend in 2021 among those with less than 100 employees (Figure 19).

Figure 16. Changes in rate of implementation of working from home (teleworking) (panel data)

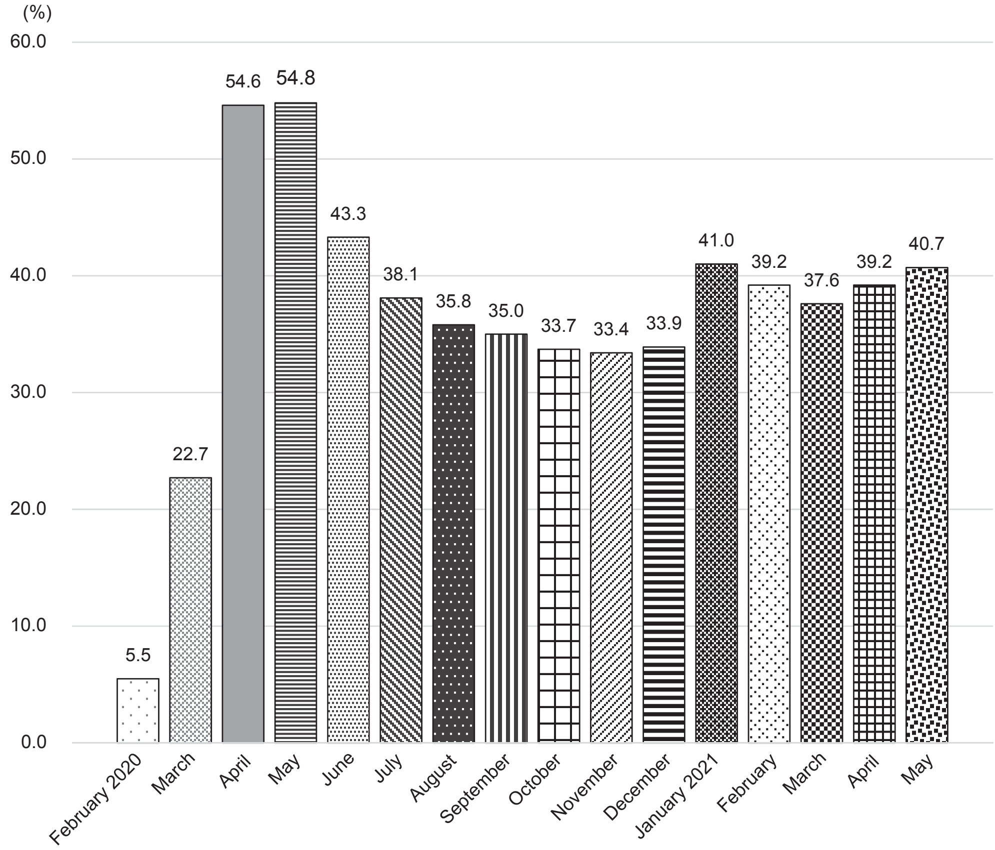


Figure 17. Changes in rates of implementation of working from home (teleworking) by region (panel data)

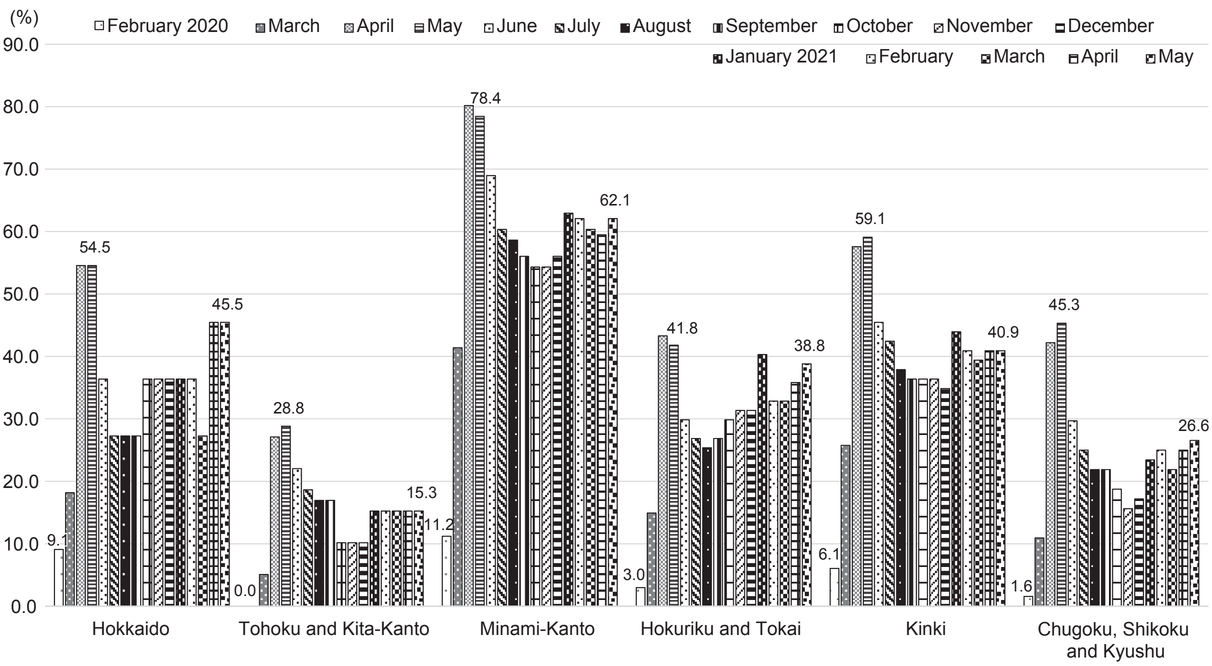
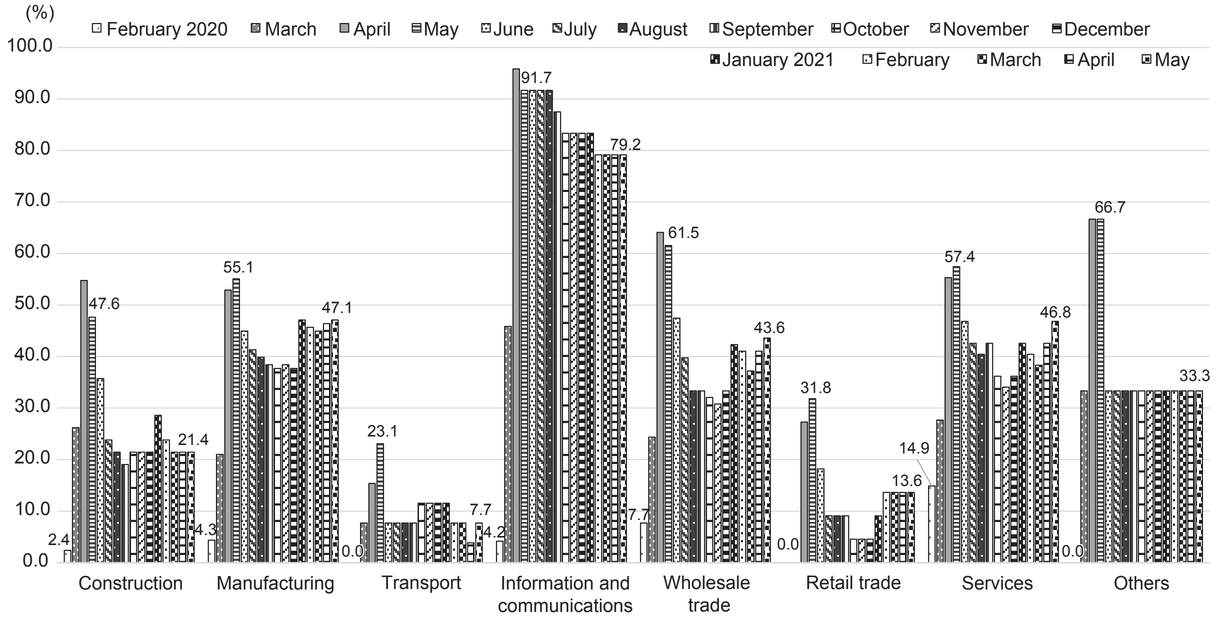
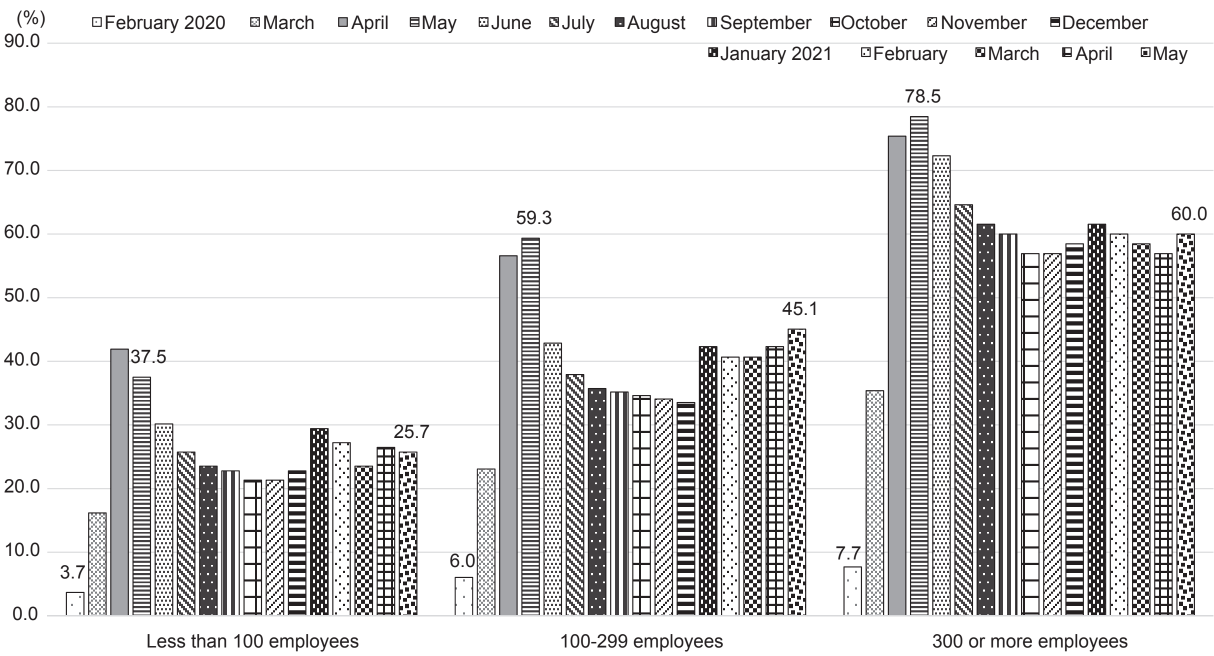


Figure 18. Changes in rates of implementation of working from home (teleworking) by industry (panel data)



Note: Accommodations, eating and drinking services industry and medical, health care and welfare industry were tabulated as parts of the "Services" data set so as to obtain a continuous sample from the first wave of the Enterprise Survey.

Figure 19. Changes in rates of implementation of working from home (teleworking) by size of enterprise (panel data)



IV. Utilization of Support Measures such as Employment Adjustment Subsidy, Sustainability Subsidy, Financial Support from Financial Institutions, etc.

1. The support measures primarily utilized are "Financial support from financial institutions" (40.3%), the "Sustainability Subsidy" (37.2%), the "Employment Adjustment Subsidy" (33.7%), and "Support measures by prefectures" (24.8%).

The support measures utilized by enterprises were, in order of utilization percentage: the "Japan Finance Corporation and private financial institutions' financial support through Special Coronavirus Loans and Safety Nets for Financing Guarantee" (40.3%), the "Sustainability Subsidy" (37.2%), the "Employment Adjustment Subsidy" (EAS) (33.7%), and "Support measures by prefectures, etc." (24.8%) (Figure 20). Enterprises utilizing these support measures were asked about the month they received support payments, and the results are shown in Figure 21.

When enterprises were asked to envision their situation had they not received the EAS, a total of more than 40% responded to the effect that they would have managed somehow, such as "Would have implemented employment adjustments while receiving other financial supports and managed to maintain employment while surviving economic fluctuations" (30.2%), "Under severe circumstances at that time, I followed other enterprises in applying for the EAS, but looking back now, I think I would have been able to rebuild the business and maintain employment even if I did not receive the EAS" (12.9%). However, between 20% and nearly 30% of enterprises gave one of the following responses indicating that for many enterprises, failure to utilize the EAS could lead to a more severe situation (Figure 22): "Would not have been able to suspend business operations (furlough employees) due to the downscaling of business activities, and would have needed to take further measures to reduce employment (dismiss employees)" (29.1%), "Would have suspended business operations (furloughed employees), but on a very small scale, and would have needed to take measures to reduce employment at a later date" (24.3%), "As a result of inability to suspend operations (furlough employees), or of suspending operations on a very small scale, employment would have to be reduced, and when business subsequently recovered, it would have been difficult to secure employees" (21.7%), and "It would have been impossible to smoothly reduce employment while temporarily suspending business operations (furloughing employees) etc., and this would have caused a very severe situation such as deteriorating labor relations" (21.0%).

As for utilization of more than one of the primary support measures (financial support, the Sustainability Subsidy, the EAS), 17.5% used both financial support and the EAS, 16.5% utilized both the Sustainability Subsidy and the EAS, 18.3% utilized both financial support and the Sustainability Subsidy, and 10.6% utilized all three measures. For utilization status by region, industry, and enterprise size, see Figures 23, 24, and 25.

Figure 20. Application for and Utilization of Coronavirus-Related Support Measures

(Multiple responses when subsidy was applied for and received, unit: %)

		n	Applied for and received								Did not apply
				Employment Adjustment Subsidy (allowances, etc. granted when workers' employment is maintained)	Sustainability Subsidy (up to 2 million yen for business operators whose sales decline)	Subsidy for cooperation with requests from prefectures, etc. for suspension of operations or shortening of business hours due to state of emergency declarations or semi-emergency pandemic countermeasures	Benefits, subsidies, loans, etc. from prefectures, etc., other than those at left	Financial support from the Japan Finance Corporation or private-sector financial institutions in the form of Special Coronavirus Loans, Safety Nets for Financing Guarantees, etc.	Business Restructuring Subsidy (assistance for small and mid-sized enterprises motivated to restructure their business, e.g. entering new fields or changing business formats)	Others	
Total		3,750	71.5	33.7	37.2	4.3	24.8	40.3	1.7	2.0	28.5
Region	Hokkaido	205	59.2	17.5	33.3	3.9	18.4	33.3	0.0	1.1	40.8
	Tohoku and Kita-Kanto	548	73.3	32.6	35.5	4.4	21.8	42.4	1.7	1.7	26.7
	Minami-Kanto	1,175	72.4	35.2	38.4	4.7	26.3	40.4	1.5	2.3	27.6
	Hokuriku and Tokai	580	74.1	39.3	42.2	2.8	23.6	38.3	1.9	2.7	25.9
	Kinki	632	72.9	38.6	36.5	5.0	22.3	40.3	2.1	2.2	27.1
	Chugoku, Shikoku, and Kyushu	610	68.2	27.6	34.4	4.7	29.5	41.8	1.6	1.4	31.8
Industry	Construction	592	72.5	18.1	53.9	2.0	25.3	39.1	0.7	0.9	27.5
	Manufacturing	1,034	73.9	47.1	31.8	1.2	25.3	42.7	1.7	2.0	26.1
	Transport	180	73.0	42.1	26.0	5.3	32.7	42.2	2.6	0.9	27.0
	Information and communications	172	70.9	21.9	36.0	1.4	25.8	35.3	0.6	2.7	29.1
	Wholesale trade	996	70.2	32.4	33.2	3.9	21.9	40.5	1.5	2.0	29.8
	Retail trade	168	78.0	34.4	40.7	14.9	34.2	45.7	4.3	3.4	22.0
	Services	361	72.2	32.2	42.4	5.9	21.9	37.3	2.2	4.0	27.8
	Accommodations, eating and drinking services	40	100.0	84.2	76.7	77.0	76.4	79.4	6.7	2.5	0.0
	Medical, health care and welfare	41	48.1	17.2	17.2	0.3	23.9	24.7	4.0	4.0	51.9
	Others	166	52.2	21.7	24.2	6.7	15.2	28.8	0.7	0.0	47.8
Size of enterprise	Less than 100 employees	3,135	71.7	33.6	37.6	4.3	24.9	40.6	1.7	2.0	28.3
	100 to 299 employees	447	59.2	44.5	15.5	4.8	18.0	24.3	0.9	1.8	40.8
	300 or more employees	168	48.3	38.7	9.8	4.0	13.6	8.4	1.1	2.9	51.7

Note: This was an optional question. The sample size n (3,750) excludes those enterprises that did not respond.

Figure 21. Month(s) payments through coronavirus-related support measures were received

(%)

	n	Before December 2020	January 2021	February	March	April	May
Employment Adjustment Subsidy (allowances, etc. granted when workers' employment is maintained)	1,300	88.0	50.0	50.7	47.2	43.9	40.3
Sustainability Subsidy (up to 2 million yen for business operators whose sales decline)	1,195	91.1	2.7	2.0	1.5	1.8	2.7
Subsidy for cooperation with requests from prefectures, etc. for suspension of operations or shortening of business hours due to state of emergency declarations or semi-emergency pandemic countermeasures	139	65.9	18.9	21.9	25.9	26.6	28.1
Benefits, subsidies, loans, etc. from prefectures, etc., other than those above	808	81.3	5.0	4.9	9.3	6.3	5.4
Financial support from the Japan Finance Corporation or private-sector financial institutions in the form of Special Coronavirus Loans, Safety Nets for Financing Guarantees, etc.	1,330	85.0	3.8	6.2	11.1	7.4	4.1
Business Restructuring Subsidy (assistance for small and mid-sized enterprises motivated to restructure their business, e.g. entering new fields or changing business formats)	40	59.8	0.0	2.2	5.3	5.8	30.5
Others	51	77.2	7.8	0.0	4.3	3.4	9.4

Notes: 1. This was an optional question. The sample size n excludes those enterprises that did not respond.

2. For this item, respondents were supposed to select all the months in which they received the payment.

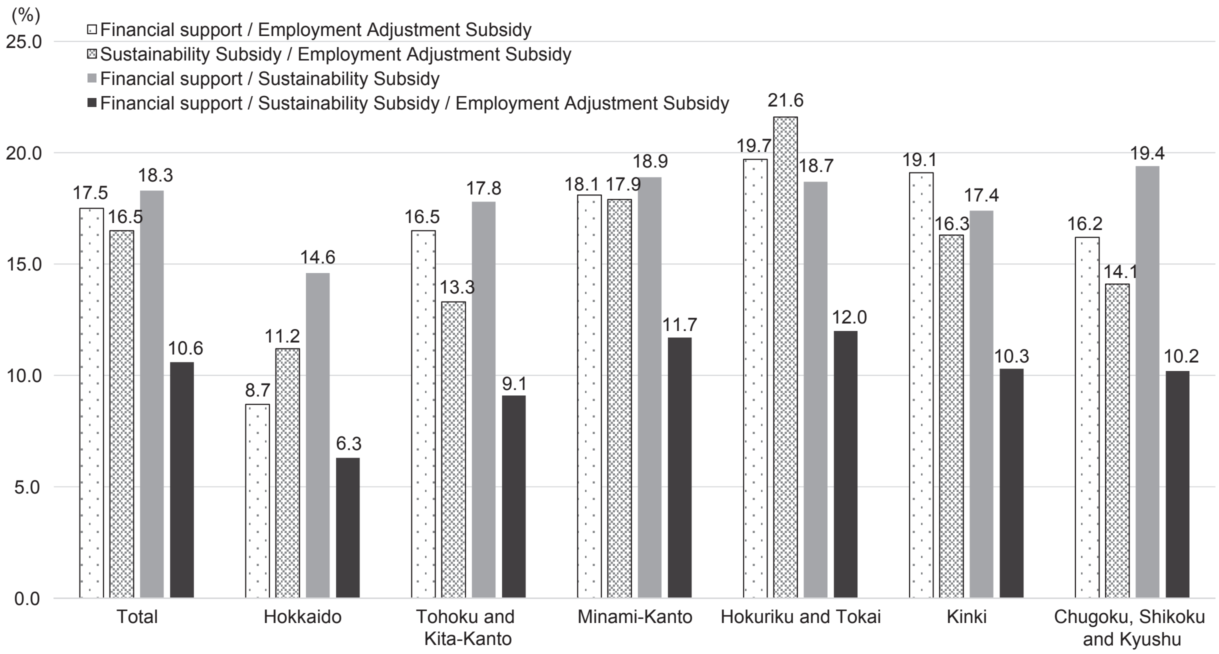
Figure 22. Situation envisioned if enterprises were unable to receive the Employment Adjustment Subsidy

(Multiple responses, unit: %)

		n	Would not have been able to suspend business operations (furlough employees) due to the downscaling of business activities, and would have needed to take further measures to reduce employment (dismiss employees)	Would have suspended business operations (furloughed employees), but on a very small scale, and would have needed to take measures to reduce employment at a later date	Would have been able to suspend operations, but not to implement employee training	As a result of inability to suspend operations (furlough employees), or of suspending operations on a very small scale, employment would have to be reduced, and when business subsequently recovered, it would have been difficult to secure employees	It would have been impossible to smoothly reduce employment while temporarily suspending business operations (furloughing employees) etc., and this would have caused a very severe situation such as deteriorating labor relations	Would have implemented employment adjustments while receiving other financial supports and managed to maintain employment while surviving economic fluctuations	Under severe circumstances at that time, I followed other enterprises in applying for support, but looking back now, I think I would have been able to rebuild the business and maintain employment even if I did not receive the EAS	Others
Total		1,297	29.1	24.3	7.0	21.7	21.0	30.2	12.9	5.5
Region	Hokkaido	37	34.7	22.1	3.5	25.6	15.8	32.6	13.1	6.3
	Tohoku and Kita-Kanto	173	27.0	28.8	8.5	29.5	22.4	30.9	13.7	6.6
	Minami-Kanto	425	31.2	24.8	6.2	18.7	19.5	29.0	12.6	5.5
	Hokuriku and Tokai	233	30.2	24.3	8.6	20.6	27.5	28.6	12.0	5.9
	Kinki	250	28.7	15.9	6.7	18.4	16.9	33.7	12.9	5.7
	Chugoku, Shikoku, and Kyushu	179	26.6	29.2	5.9	23.8	19.6	28.9	13.8	3.7
Industry	Construction	108	13.4	12.9	6.2	11.5	9.3	44.1	21.2	9.8
	Manufacturing	499	26.0	26.0	8.8	22.8	23.3	32.8	11.3	4.2
	Transport	75	41.4	38.0	5.0	37.7	24.6	19.0	14.3	4.3
	Information and communications	42	26.4	25.0	9.2	18.0	15.3	40.9	13.6	3.3
	Wholesale trade	314	27.6	20.2	6.6	16.0	17.8	27.3	15.6	6.5
	Retail trade	62	35.1	37.5	5.0	36.4	26.9	26.2	10.0	2.4
	Services	118	43.5	22.2	4.2	22.9	24.1	19.5	7.3	6.8
	Accommodations, eating and drinking services	35	63.4	55.7	5.1	60.5	45.4	21.1	4.9	0.0
	Medical, health care and welfare	7	24.7	0.0	23.0	22.2	26.6	25.6	0.0	24.7
	Others	37	30.7	15.6	4.3	6.9	16.3	36.5	10.0	6.4
Size of enterprise	Less than 100 employees	1,035	29.4	24.4	7.0	21.8	21.1	30.0	12.9	5.5
	100 to 299 employees	198	17.5	23.0	7.7	16.8	15.9	37.7	11.2	7.5
	300 or more employees	64	15.6	9.5	4.6	12.0	11.0	35.2	27.6	6.1

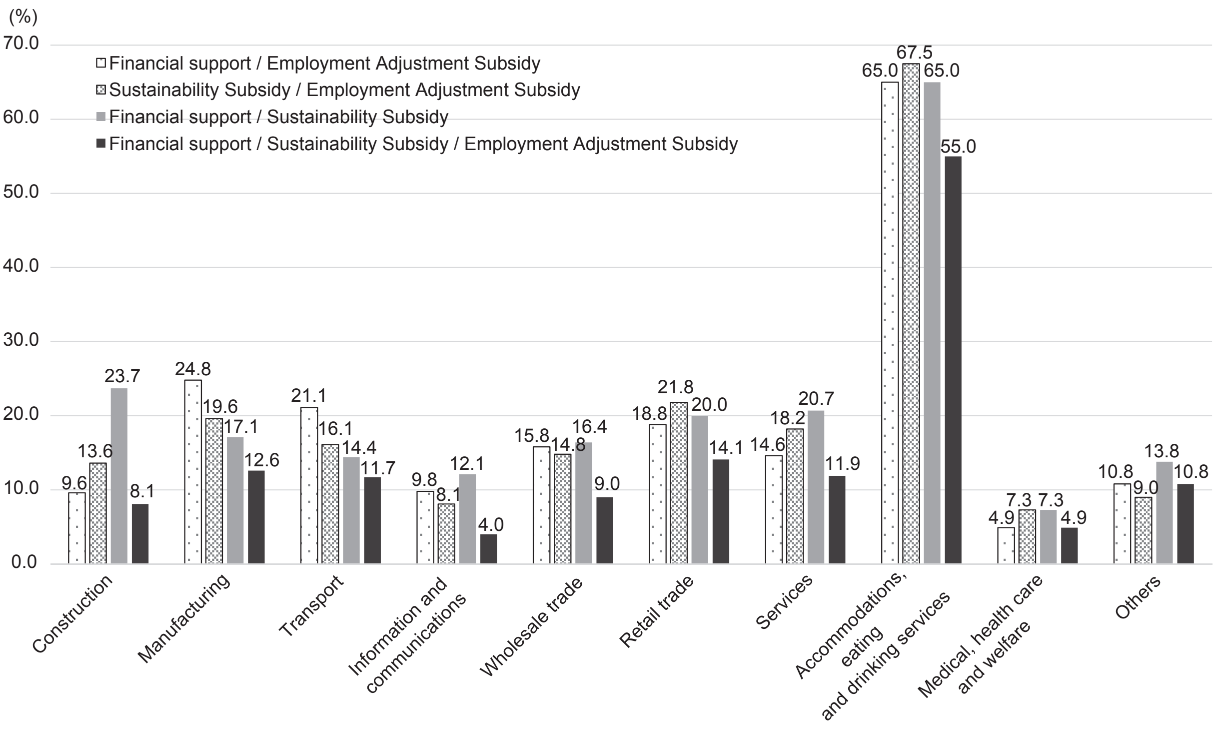
Note: This was an optional question. The sample size n (1,297) excludes those enterprises that did not respond.

Figure 23. Utilization of multiple coronavirus-related support measures by region



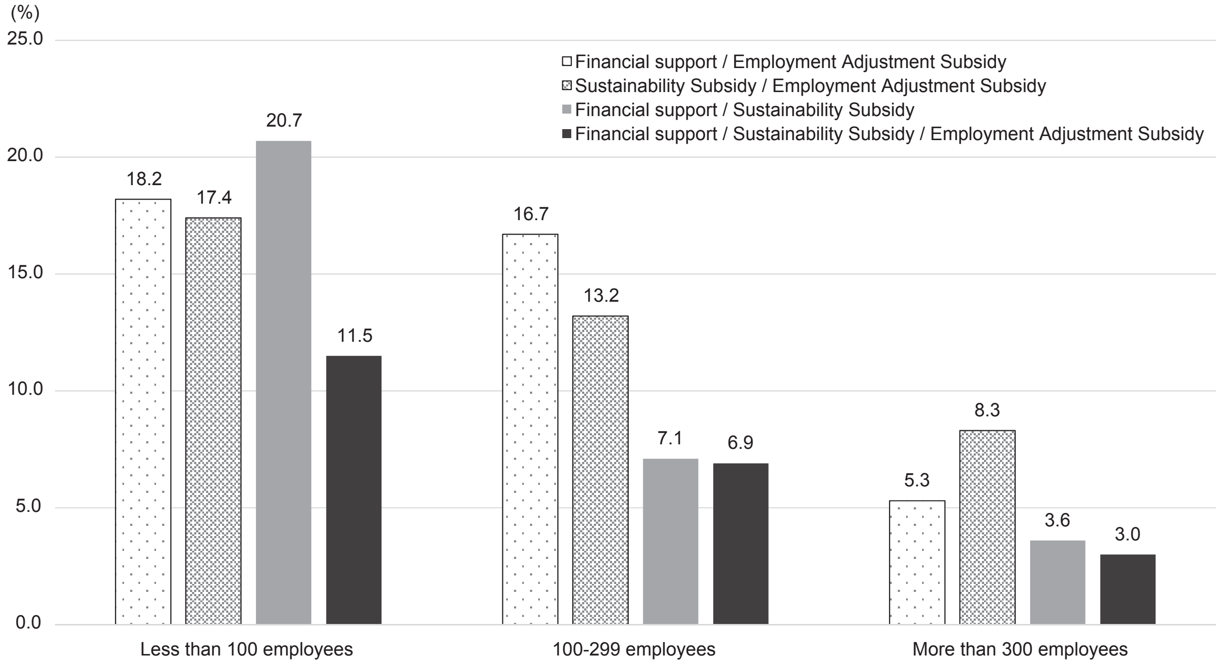
Note: Of the enterprises responding to questions on utilization of support measures (n = 2,403), these are the percentages of enterprises using multiple (either 2 or 3 types) of measures (financial support, the Sustainability Subsidy, and the Employment Adjustment Subsidy). (The percentages of using 2 types include those of using 3 types.)

Figure 24. Utilization of multiple coronavirus-related support measures by industry



Note: Of the enterprises responding to questions on utilization of support measures (n = 2,403), these are the percentages of enterprises using multiple (either 2 or 3 types) of measures (financial support, the Sustainability Subsidy, and the Employment Adjustment Subsidy). (The percentages of using 2 types include those of using 3 types.)

Figure 25. Utilization of multiple coronavirus-related support measures by enterprise size



Note: Of the enterprises responding to questions on utilization of support measures (n = 2,403), these are the percentages of enterprises using multiple (either 2 or 3 types) of measures (financial support, the Sustainability Subsidy, and the Employment Adjustment Subsidy). (The percentages of using 2 types include those of using 3 types.)

V. Future Outlook for Enterprises' Business Performance, Plans for Future Business Continuity and Future Personnel and Business Strategies

1. Regarding outlook for the recovery of enterprises' business performance, the most common responses, in order, were "Expect it will take between six months and one year" (17.3%), "Not sure" (17.2%), "Expect it will take between one and two years" (15.1%), and "Already recovered and returned to the previous level" (11.3%).

Looking at enterprises' responses regarding their prospects for business performance, the most common responses, in order, were "Expect it will take between six months and one year to recover and return to the previous level" (17.3%), "Not sure" (17.2%), and "Expect it will take between one and two years" (15.1%), while only 11.3% of enterprises responded that business performance had "already recovered and returned to the previous level" (Figure 26). Compared to what was predicted during the first state of emergency (April-May 2020), 39.7% of enterprises stated that business performance was worse, while 25.2% of enterprises stated that it was better, i.e., a higher percentage of enterprises are in a worse state than envisioned at the start of the pandemic (Figure 27).

Figure 26. Future outlook for enterprises' business performance

(%)

		n	Already recovered and returned to the previous level	Expect to recover and return to the previous level within three months	Expect to recover and return to the previous level within six months	Expect it will take between six months and one year to recover and return to the previous level	Expect it will take between one and two years to recover and return to the previous level	Expect it will take more than two years to recover and return to the previous level	Do not expect to recover (will not return to the previous level, cannot see path to recovery)	Not sure	Business performance has not declined
Total		3,754	11.3	2.7	7.2	17.3	15.1	5.9	5.5	17.2	17.8
Region	Hokkaido	206	8.0	3.7	3.7	13.0	14.0	3.2	4.4	22.4	27.6
	Tohoku and Kita-Kanto	550	13.7	1.9	8.6	13.8	11.2	5.7	7.6	18.1	19.4
	Minami-Kanto	1,177	9.4	2.3	6.7	20.0	16.8	5.6	4.6	16.5	18.1
	Hokuriku and Tokai	579	14.3	2.1	7.7	20.3	16.8	5.4	7.0	12.8	13.6
	Kinki	630	11.3	3.7	6.4	17.9	16.7	6.6	6.0	15.5	16.0
	Chugoku, Shikoku, and Kyushu	612	9.7	3.4	7.7	14.8	13.7	6.7	3.5	21.4	19.2
Industry	Construction	593	8.8	4.7	6.7	14.3	13.8	6.1	3.0	19.3	23.2
	Manufacturing	1,035	15.9	3.0	10.1	18.7	14.5	4.2	3.9	15.7	13.9
	Transport	180	11.0	1.0	6.1	23.0	13.3	12.5	5.8	15.7	11.6
	Information and communications	172	14.8	1.4	6.1	13.6	10.9	4.0	1.2	17.1	30.8
	Wholesale trade	996	8.8	2.2	7.1	17.5	17.0	5.3	7.8	18.2	15.9
	Retail trade	170	11.6	1.0	4.1	17.6	14.4	5.8	12.0	20.0	13.7
	Services	360	8.5	2.8	5.9	18.1	15.5	11.1	6.6	15.8	15.7
	Accommodations, eating and drinking services	40	4.1	0.2	7.5	31.4	30.7	5.9	9.6	7.4	3.3
	Medical, health care and welfare	41	5.5	0.3	0.8	19.6	2.9	0.6	4.8	18.2	47.1
	Others	167	13.4	2.6	2.5	12.3	16.0	3.7	3.2	15.1	31.3
Size of enterprise	Less than 100 employees	3,139	11.2	2.7	7.2	17.3	15.1	5.9	5.5	17.3	17.8
	100 to 299 employees	447	16.7	2.3	7.3	15.9	14.5	5.8	4.4	14.1	19.1
	300 or more employees	168	15.6	1.8	7.7	18.5	12.9	6.5	1.2	10.1	25.8

Note: This was an optional question. The sample size n (3,754) excludes those enterprises that did not respond.

Figure 27. Comparison of future outlook for enterprises' business performance with initial predictions

(%, percentage points)

		n	Total for "better"			Almost the same as initially envisioned	Total for "worse"			Better - Worse
				Better	Somewhat better			Somewhat worse	Worse	
Total		3,743	25.2	9.0	16.2	35.1	39.7	22.4	17.3	−14.5
Region	Hokkaido	206	15.5	6.4	9.2	42.1	42.4	27.8	14.6	−26.9
	Tohoku and Kita-Kanto	547	27.5	9.6	17.8	33.4	39.1	21.6	17.5	−11.7
	Minami-Kanto	1,174	23.3	8.9	14.4	35.8	40.9	23.9	17.0	−17.5
	Hokuriku and Tokai	580	29.1	7.8	21.3	30.5	40.4	21.3	19.1	−11.3
	Kinki	629	25.5	9.3	16.1	33.5	41.0	22.0	19.1	−15.6
	Chugoku, Shikoku, and Kyushu	607	24.0	9.7	14.3	39.4	36.6	21.4	15.2	−12.6
Industry	Construction	593	17.9	4.7	13.3	42.4	39.6	24.4	15.2	−21.7
	Manufacturing	1,032	32.7	13.0	19.7	33.0	34.3	19.7	14.6	−1.6
	Transport	180	21.6	7.9	13.7	28.1	50.3	31.3	19.0	−28.8
	Information and communications	172	24.2	12.9	11.3	42.5	33.3	19.5	13.9	−9.2
	Wholesale trade	989	24.2	7.9	16.3	33.0	42.8	23.9	18.9	−18.6
	Retail trade	169	23.4	9.2	14.2	26.1	50.5	29.8	20.7	−27.1
	Services	361	26.4	8.8	17.6	33.4	40.2	21.6	18.6	−13.7
	Accommodations, eating and drinking services	40	7.6	4.1	3.6	21.0	71.3	8.7	62.6	−63.7
	Medical, health care and welfare	41	34.1	13.0	21.1	44.7	21.2	16.3	4.9	12.9
	Others	166	20.3	5.8	14.5	46.5	33.3	14.4	18.9	−13.0
Size of enterprise	Less than 100 employees	3,130	25.1	8.9	16.2	35.1	39.8	22.4	17.4	−14.8
	100 to 299 employees	445	32.0	10.7	21.3	35.0	32.9	22.1	10.8	−0.9
	300 or more employees	168	31.5	13.2	18.4	40.1	28.4	21.1	7.3	3.2

Note: This was an optional question. The sample size n (3,743) excludes those enterprises that did not respond.

2. Regarding future business continuity, over 50% of enterprises say they will "continue business operations at the current level," and more than 20% of enterprises say they will "continue business operations at an expanded scale." 17.7% in "Accommodations, eating and drinking services" and 12.3% in "Retail trade" say they intend to "continue business operations at a smaller scale."

Regarding their plans for the continuation of business operations in the future, 50.4% of enterprises responded that they intended to "continue business operations at the current level," followed by 23.7% that intended to "continue business operations at an expanded scale," 6.9% that intended to "launch new business and continue business operations," and 5.9% that intended to "continue business operations at a smaller scale." Looking at the figures by industry, the percentages of enterprises that intended to "continue business operations at an expanded scale" were high in the medical, health care and welfare (45.6%), information and communications (40.7%), and transport (30.3%) industries. The percentages of enterprises intending to "continue business operations at a smaller scale" were relatively high in the accommodations, eating and drinking services (17.7%), retail trade (12.3%), and transport (10.1%) industries (Figure 28, see also Figure 29 for panel data).

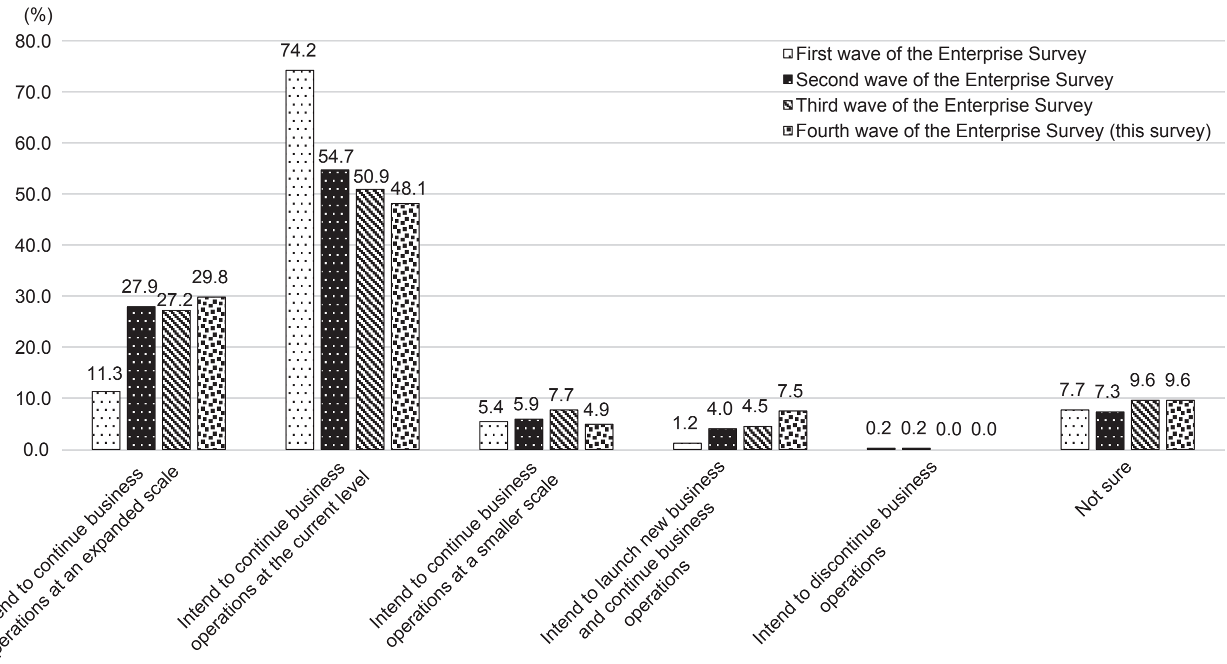
Figure 28. Enterprises' plans for future business continuity

(%)

		n	Intend to continue business operations at an expanded scale	Intend to continue business operations at the current level	Intend to continue business operations at a smaller scale	Intend to launch new business and continue business operations	Intend to discontinue business operations	Not sure
Total		3,529	23.7	50.4	5.9	6.9	0.6	12.6
Region	Hokkaido	193	16.2	54.7	5.1	5.3	1.1	17.6
	Tohoku and Kita-Kanto	520	23.1	50.8	7.1	5.6	0.0	13.5
	Minami-Kanto	1,096	24.5	51.1	6.4	5.7	0.6	11.7
	Hokuriku and Tokai	550	25.0	48.1	6.5	7.0	1.3	12.0
	Kinki	596	23.9	48.5	5.5	9.6	0.4	12.0
	Chugoku, Shikoku, and Kyushu	574	23.5	51.8	4.2	7.2	0.6	12.7
Industry	Construction	561	21.3	57.8	3.5	4.8	0.6	12.0
	Manufacturing	984	22.8	53.5	5.2	6.6	0.3	11.5
	Transport	172	30.3	36.4	10.1	3.8	1.9	17.5
	Information and communications	166	40.7	41.5	2.9	5.0	0.0	9.9
	Wholesale trade	921	21.8	50.3	6.5	8.6	0.9	11.9
	Retail trade	160	21.0	41.8	12.3	7.1	0.0	17.7
	Services	337	27.4	47.6	6.1	6.8	0.4	11.8
	Accommodations, eating and drinking services	38	15.4	33.6	17.7	20.0	2.3	10.9
	Medical, health care and welfare	39	45.6	45.2	0.0	0.2	0.0	9.0
	Others	151	20.1	46.0	4.8	8.3	1.4	19.5
Size of enterprise	Less than 100 employees	2,956	23.6	50.4	5.9	6.9	0.6	12.6
	100 to 299 employees	420	34.2	45.7	3.1	8.8	0.0	8.1
	300 or more employees	153	36.0	51.6	2.5	2.7	0.0	7.1

Note: This was an optional question. The sample size n (3,529) excludes those enterprises that did not respond.

Figure 29. Changes in enterprises' plans for future business continuity (panel data)



3. With regard to future personnel strategies, an increasing percentage of enterprises gave responses such as intending to "emphasize employment and human resource development" and "pursue promotion according to ability and achievement, regardless of age, and reduce the seniority-based pay ratio of regular employees."

Enterprises' future personnel strategies based on their business outlook include high percentages intending to "emphasize employment and human resource development" (69.1%), "pursue promotion according to ability and achievement, regardless of age, and reduce the seniority-based pay ratio of regular employees" (50.5%), "strengthen mid-career hiring" (36.9%), and "advance employee training and ability development" (36.1%) (Figure 30). When asked about business strategies that will be increasingly important in a future post-pandemic world after COVID-19 has subsided, the highest percentage of enterprises responded that they intend to emphasize "absolute amount of sales and profits" (58.6%), followed by "development of new business areas and boosting profitability" (35.0%) and "Return on equity and efficiency" (27.0%) (Figure 31).

Figure 30. Future personnel strategies based on business outlook

(Multiple responses when strategies are expected to be implemented, unit: %)

		n	Change direction of personnel utilization (prediction of change in percentages of types of employees)				Allocation of personnel expenses				Change direction of personnel management										Do not have a particular strategy in mind	Have not decided / Not sure
			Emphasize employment and human resource development	Boost percentage of regular employees	Boost percentage of part-time and contract workers	Boost percentage of dispatched workers	Focus on ability and achievement, and widen wage gaps among regular employees in the same age group	Pursue promotion according to ability and achievement, regardless of age, and reduce the seniority-based pay ratio of regular employees	Introduce equal pay for equal work, making treatment of non-regular employees same as that of regular employees with regard to necessary wage elements	Maintain current seniority-based pay	Promote outsourcing	Strengthen hiring of new graduates	Strengthen mid-career hiring	Promote part-time and contract workers' transition to regular employees	Advance employee training and ability development	Promote utilization of temporary transfers of employees and permanent transfers of employees	Promote labor-saving investments (mechanization / automation)	Promote work efficiency (task reduction / standardization, work sharing, review of work procedures, etc.)	Improve environment for working from home (teleworking) and launch full-scale utilization	Promote return to workplace rather than working from home (teleworking)		
Total		3,718	69.1	20.6	6.8	1.3	29.5	50.5	8.6	9.6	9.9	23.5	36.9	8.4	36.1	1.7	18.3	31.7	8.0	2.5	7.5	5.1
Region	Hokkaido	205	75.6	16.3	4.3	1.6	28.1	42.2	8.3	16.2	6.0	29.7	43.4	6.7	32.2	0.6	15.4	24.2	6.0	2.8	8.5	6.5
	Tohoku and Kita-Kanto	544	71.2	24.0	9.4	1.1	31.2	53.0	11.2	10.5	10.0	28.0	39.8	12.4	41.0	0.9	22.4	33.2	3.0	1.5	5.8	3.6
	Minami-Kanto	1,164	66.7	17.2	7.1	1.9	27.4	48.8	7.0	9.6	10.9	18.4	34.0	8.1	33.8	2.4	14.3	28.7	14.4	4.1	8.4	5.0
	Hokuriku and Tokai	574	69.4	22.7	6.2	1.3	28.8	53.7	9.5	10.5	7.7	27.4	39.1	6.1	36.5	2.5	21.1	31.1	6.6	2.1	6.2	5.0
	Kinki	623	65.0	19.7	6.8	1.6	29.4	51.7	6.7	7.3	9.4	17.9	33.8	8.4	31.3	0.6	17.8	32.8	8.4	2.6	9.3	5.6
	Chugoku, Shikoku, and Kyushu	608	71.9	21.7	5.5	0.6	31.5	48.7	9.4	8.9	11.4	26.3	37.8	7.7	39.4	2.0	18.5	35.2	5.7	1.6	7.1	5.7
Industry	Construction	589	74.0	27.7	3.6	1.5	30.3	56.1	6.0	11.0	9.3	35.0	52.1	5.1	44.6	1.6	13.6	27.7	5.1	2.0	5.9	3.1
	Manufacturing	1,029	75.8	20.3	7.2	1.7	34.3	54.0	11.3	9.0	8.1	27.5	36.7	8.8	40.8	1.5	32.3	35.4	5.4	1.8	4.4	3.5
	Information and communications	178	65.2	26.8	5.9	0.8	24.4	50.1	8.5	8.5	9.2	17.6	38.3	7.9	34.9	4.1	13.2	30.6	4.4	2.4	8.3	6.6
	Transport	169	72.7	25.6	7.4	2.0	39.1	52.7	6.9	5.9	9.9	32.3	50.1	9.1	45.2	0.1	12.0	29.1	29.2	5.1	6.1	5.1
	Wholesale trade	987	65.8	17.1	5.7	0.6	24.2	50.6	5.9	10.8	9.4	16.3	32.4	6.2	29.5	1.9	13.8	35.0	9.9	3.3	8.6	6.2
	Retail trade	165	65.4	13.2	12.7	0.8	31.5	36.3	11.7	10.7	9.6	18.3	25.2	15.2	34.5	1.0	11.4	29.7	2.4	0.6	7.0	9.6
	Services	357	60.0	21.2	11.5	2.8	32.2	46.5	11.6	6.9	15.4	18.2	30.7	13.7	29.9	2.1	12.1	28.3	9.8	3.4	7.9	6.9
	Accommodations, eating and drinking services	39	74.1	10.6	24.3	0.0	19.3	70.0	18.1	3.2	8.2	23.0	27.9	34.4	35.8	0.2	33.5	58.3	5.5	0.0	4.1	2.2
	Medical, health care and welfare	40	67.6	13.8	0.3	0.3	17.1	37.4	7.1	21.7	23.2	33.9	33.0	0.8	37.4	4.5	13.7	12.3	6.2	0.0	13.7	8.9
	Others	165	54.4	16.2	5.5	0.0	25.0	28.6	9.6	9.3	12.4	14.4	24.0	9.0	25.6	1.8	10.6	15.9	9.3	1.4	23.5	6.0
Size of enterprise	Less than 100 employees	3,108	69.0	20.5	6.9	1.3	29.5	50.5	8.5	9.6	9.9	23.2	36.9	8.3	35.9	1.7	18.1	31.6	7.9	2.5	7.6	5.1
	100 to 299 employees	444	78.0	25.2	3.6	2.7	30.8	51.7	13.6	10.0	8.3	43.5	39.8	9.7	48.9	3.2	29.8	42.6	15.1	2.5	2.9	2.4
	300 or more employees	166	72.7	20.2	2.4	1.8	29.6	51.5	20.5	7.1	8.8	45.3	41.2	8.6	55.1	3.3	30.0	42.0	29.1	5.6	2.5	3.8

Note: This was an optional question. The sample size n (3,718) excludes those enterprises that did not respond.

Figure 31. Business strategies that will be increasingly important in a future post-pandemic world after COVID-19 has subsided

(Multiple responses, unit: %)

		n	Absolute amount of sales and profits	Return on equity and efficiency	Development of new business areas and boosting profitability	Review of unprofitable business areas and boosting profitability	Improving capital efficiency by reviewing existing business areas and investments	Boosting equity capital to prepare for future business uncertainties	Aggressive capital investment through borrowing, etc.	Making capital investments only within scope of equity capital	Achievement of SDGs (Sustainable Development Goals)	Making investments to realize a decarbonized society	Are not emphasizing any of the above
Total		3,605	58.6	27.0	35.0	22.5	15.3	22.0	7.9	15.6	21.3	9.3	7.5
Region	Hokkaido	193	51.4	28.5	30.2	21.5	12.4	23.8	4.2	16.2	13.6	4.4	8.6
	Tohoku and Kita-Kanto	527	60.1	29.4	36.5	19.5	15.7	24.5	9.5	19.4	23.7	11.6	6.2
	Minami-Kanto	1,120	59.0	23.4	36.2	21.2	13.3	17.2	6.3	11.3	19.1	7.3	8.4
	Hokuriku and Tokai	555	61.5	29.5	34.6	24.2	15.9	23.1	7.9	18.8	21.6	9.2	6.0
	Kinki	613	59.4	25.7	37.2	24.0	16.6	24.9	7.4	15.3	20.8	8.5	7.9
	Chugoku, Shikoku, and Kyushu	597	55.5	28.3	31.8	23.6	16.2	22.1	9.6	14.9	23.6	11.6	8.3
Industry	Construction	569	59.6	26.6	21.2	19.1	12.4	27.2	4.4	16.6	19.3	10.5	10.3
	Manufacturing	1,007	58.5	28.7	38.0	21.4	16.2	22.4	11.4	21.8	26.7	12.3	5.8
	Information and communications	174	56.7	28.5	34.2	31.8	20.6	21.6	12.0	12.4	20.1	12.3	11.5
	Transport	166	67.9	23.1	37.1	12.5	17.6	16.6	1.7	8.5	16.3	1.1	8.4
	Wholesale trade	951	62.1	25.3	37.9	23.0	14.5	21.7	5.5	12.7	21.4	8.4	5.8
	Retail trade	161	53.5	31.4	42.1	34.3	19.9	14.4	12.7	16.2	15.3	9.8	7.0
	Services	343	54.1	25.8	41.2	21.2	14.1	19.4	7.0	12.3	16.8	5.9	6.8
	Accommodations, eating and drinking services	40	52.7	40.0	38.3	51.4	26.0	23.7	24.1	24.1	22.3	7.6	4.1
	Medical, health care and welfare	40	33.0	30.0	31.4	24.5	14.1	20.0	25.5	3.4	23.0	15.6	18.1
	Others	154	47.8	26.6	29.2	21.7	12.9	20.3	6.9	8.7	17.2	3.8	14.6
Size of enterprise	Less than 100 employees	3,011	58.6	27.0	34.9	22.4	15.2	22.0	7.9	15.6	21.1	9.2	7.6
	100 to 299 employees	434	61.7	30.6	39.6	29.9	22.1	21.0	7.7	15.6	31.0	16.3	3.4
	300 or more employees	160	55.3	34.9	41.5	29.0	22.6	19.3	3.2	10.8	35.4	23.2	6.4

Note: This was an optional question. The sample size n (3,605) excludes those enterprises that did not respond.

4. Two-thirds of enterprises are digitizing, and many enterprises are expected to make further progress in the future.

Approximately two-thirds (65.9%) of enterprises have taken some steps related to digitization. In order of percentage, the items that have been implemented so far are “implementation of teleworking” (27.8%), “transition to paperless operation” (27.5%), “conducting business online” (22.0%), and “uploading business data to the cloud” (18.6%) (Figure 32). Regarding reforms related to digitization in the post-pandemic era, for all items a higher percentage of enterprises expected to see reforms advance than to revert to previous paradigms. The largest differential in this regard is “transition to paperless operation” (56.5 percentage points), followed by “uploading business data to the cloud” (53.1 percentage points), “conducting business online” (49.9 percentage points), “review of business processes from the perspective of digital technology utilization” (48.6 percentage points), and “digitization of workflow and inventory management” (46.8 percentage points). On the other hand, the highest percentage projecting reversion to previous paradigm was “implementation of teleworking” at 24.6%, only a 7.5 percentage point higher than projected advancement (Figure 33).

Figure 32. Steps that enterprises have taken thus far related to digitization

(Multiple responses, unit: %)

		n	Digital transformation (DX)	Restructuring of organizations to advance DX	Review of business processes from the perspective of digital technology utilization	Digitization of workflow and inventory management	Diversification of sales routes for products and services through web advertising and online platforms	Robotic process automation (RPA)	Implementation of teleworking	Conducting business online	Transition to paperless operation	Elimination of stamping with seals / Introduction of electronic contract tools	Uploading business data to the cloud	Not implementing any of the above
Total		3,664	8.7	3.1	15.6	12.8	9.3	4.8	27.8	22.0	27.5	7.1	18.6	34.1
Region	Hokkaido	202	5.6	0.2	12.1	6.3	4.6	4.4	16.4	19.3	20.7	4.5	24.0	44.4
	Tohoku and Kita-Kanto	542	7.2	1.3	14.5	12.6	8.2	4.7	13.7	19.5	24.4	5.7	15.9	39.7
	Minami-Kanto	1,146	9.5	4.3	15.6	14.9	10.2	4.9	46.1	25.2	32.5	9.9	21.4	25.9
	Hokuriku and Tokai	565	10.1	3.9	17.6	12.7	9.4	4.2	23.5	22.3	27.7	6.8	19.0	34.6
	Kinki	615	7.3	2.5	17.0	12.1	9.6	5.7	28.9	23.4	24.9	6.0	17.0	33.8
	Chugoku, Shikoku, and Kyushu	594	9.4	3.1	14.6	12.3	9.8	4.6	22.3	19.1	27.4	6.7	17.4	37.3
Industry	Construction	575	5.7	1.9	11.5	6.8	3.2	2.9	22.2	21.4	26.0	9.5	21.2	41.0
	Manufacturing	1,010	8.2	2.6	17.1	14.7	10.2	5.3	23.3	20.4	25.0	4.0	15.0	34.0
	Information and communications	176	6.8	3.4	6.1	8.2	5.8	5.2	14.1	15.4	16.2	3.4	16.2	49.4
	Transport	171	17.8	6.3	13.1	14.2	7.4	8.3	78.7	33.9	38.8	16.5	20.4	13.0
	Wholesale trade	974	8.2	3.5	18.3	16.8	9.8	5.6	31.9	22.0	28.0	7.4	17.4	32.0
	Retail trade	161	8.9	2.3	9.9	13.8	14.9	3.0	9.0	18.4	24.7	4.9	14.8	41.4
	Services	356	11.9	2.3	20.0	8.4	12.8	5.3	37.6	27.3	34.9	9.4	28.5	24.5
	Accommodations, eating and drinking services	38	24.5	5.9	21.1	10.8	27.6	0.0	2.7	37.1	45.7	3.3	22.4	29.3
	Medical, health care and welfare	41	7.8	7.8	13.1	20.2	23.5	3.2	10.1	19.6	19.5	11.0	10.0	42.7
	Others	162	8.4	4.1	13.6	9.5	9.8	3.0	22.2	17.6	30.2	7.2	22.1	40.3
Size of enterprise	Less than 100 employees	2,953	8.5	2.9	15.5	12.6	9.3	4.7	27.5	21.7	27.3	7.0	18.5	34.4
	100 to 299 employees	426	16.9	9.1	24.0	25.2	13.5	12.0	45.9	36.7	42.0	11.5	23.9	16.7
	300 or more employees	164	23.6	18.1	31.9	34.4	13.8	23.3	70.1	40.3	51.8	23.1	27.3	8.0

Note: This was an optional question. The sample size n (3,664) excludes those enterprises that did not respond.

Figure 33. Enterprises' outlook on digitization-related reforms in the post-pandemic era

(%, percentage points)

	n	Total for "advancement"	Accelerated advancement	Some degree of advancement	Total for "reversion"	Some degree of reversion	Complete reversion	Not sure	Advancement - Reversion
Digital transformation (DX)	3,386	47.0	21.7	25.2	3.2	1.4	1.8	49.8	43.7
Restructuring of organizations to advance DX	3,291	37.1	12.3	24.8	4.6	2.3	2.3	58.3	32.5
Review of business processes from the perspective of digital technology utilization	3,332	53.3	18.9	34.3	4.7	2.1	2.6	42.0	48.6
Digitization of workflow and inventory management	3,314	52.7	18.2	34.6	6.0	3.1	2.9	41.3	46.8
Diversification of sales routes for products and services through web advertising and online platforms	3,286	44.5	17.3	27.2	6.4	3.6	2.8	49.2	38.1
Robotic process automation (RPA)	3,271	41.2	12.8	28.4	6.5	3.8	2.7	52.3	34.8
Implementation of teleworking	3,360	32.2	12.3	19.8	24.6	13.0	11.7	43.2	7.5
Conducting business online	3,366	58.7	21.1	37.6	8.8	5.1	3.6	32.6	49.9
Transition to paperless operation	3,435	63.9	23.0	40.9	7.5	4.5	3.0	28.6	56.5
Elimination of stamping with seals / Introduction of electronic contract tools	3,333	55.3	17.8	37.5	6.5	2.9	3.5	38.2	48.9
Uploading business data to the cloud	3,354	58.2	22.7	35.4	5.1	2.9	2.2	36.7	53.1

Note: This was an optional question. The sample size n excludes those enterprises that did not respond.

Outline of the Survey

“JILPT Panel Survey on the Impact of COVID-19 on Enterprise Management”

1. Object

Since January 2020, Japan’s economy and society have been severely affected by COVID-19. The government declared the first state of emergency, which took effect in April and May 2020, and has taken measures to support individuals and enterprises and to balance curtailment of the pandemic with economic activity. As a result, declines in employment can be seen as relatively limited in spite of the severe economic situation. However, a series of waves of rising infections has continued from autumn 2020 onward, and the government has addressed this by declaring states of emergency three times since January 2021, the first from January 7 – March 21 (first in Tokyo and three prefectures, later expanded to seven more prefectures, fully rescinded), the second starting on April 25 (first in Tokyo and three prefectures, later expanded to six more prefectures, rescinded on June 20 except in Okinawa), and the third starting on July 12 (first in Tokyo, expanded in stages to include Tokyo and 19 prefectures). Penal provisions for failure to respond to requests under the declaration of emergency have been instituted based on enforcement of the revised Act on Special Measures for Pandemic Influenza and New Infectious Diseases Preparedness and Response in February 2021, newly established semi-emergency pandemic countermeasures (Priority Measures to Prevent the Spread of Disease and other Matters) have been implemented, and vaccinations began on February 17, but as of publication of this report (September 2021), there is no sign of the pandemic subsiding. In light of such developments, the JILPT has sought to understand the effects on enterprise management of the spread of COVID-19 and the preventive measures against it by conducting a series of online panel surveys of enterprises. We followed up on the first three waves of the survey, conducted in June and October 2020 and February 2021, with a fourth wave of the survey in June 2021. This document is a preliminary report on the main findings of the tabulation of responses.

2. Surveyed enterprises (sample)

A total of 11,622 enterprises, all of which are registered as respondents (excluding those with no employees) with the internet survey firm that was utilized in the first wave of the “JILPT Panel Survey on the Impact of COVID-19 on Enterprise Management” (June 2020 Survey, First Aggregation published on July 16, 2020) , the second wave of the “JILPT Panel Survey on the Impact of COVID-19 on Enterprise Management” (October 2020 Survey, First Aggregation published on December 16, 2020), and the third wave of the “JILPT Panel Survey on the Impact of COVID-19 on Enterprise Management” (February 2021 Survey, First Aggregation published on April 30, 2021).

3. Survey period

June 1-15, 2021 (survey covering changes in production, sales, etc. in January, February, March, April, and May 2021)

4. Survey method

Internet survey (write-in responses on a web browser screen)

5. Tabulation procedure

Based on the numbers of enterprises responding to the Ministry of Internal Affairs and Communications' 2014 *Economic Census for Business Frame*, weights were calculated for each region (six blocs: Hokkaido, Tohoku/Kita-Kanto, Minami-Kanto, Hokuriku/Tokai, Kinki, Chugoku/Shikoku/Kyushu), and each size of enterprise (two categories: 299 or fewer employees and 300 or more employees). The results tabulated using the weights were used to calculate composition ratios, etc. (except those shown in Figures 3,6, 7, 10, 15, 16, 19-22, and 32, in which panel tabulation and cross-tabulation were performed using simple tabulation).

In the tabulation by industry, based on the Japan Standard Industry Classification, industries such as professional and technical services were grouped into the category of "Services." Likewise, "Agriculture, forestry and fisheries," "Mining," "Finance and insurance," and "Real estate," for which there were very few samples, were grouped as "Others." Note that responses from the accommodations, eating and drinking services industry and medical, health care and welfare industry—which were tabulated as part of the "Services" category in the first wave (June 2020) Survey due to the low sample numbers—have been tabulated separately.

In tabulating panel data for the enterprises that have been continuously responding to the surveys, the results have been tabulated for February to May 2020 (first wave Survey), June to September 2020 (second wave Survey), October 2020 to January 2021 (third wave Survey), and February-May 2021 (fourth wave Survey) (Individual sample sizes (n) are given in the main body).

6. Number of valid responses

3,769 (response rate 32.4%)

See attached table for attributes of enterprises giving valid responses

7. Survey results

1st wave, June 2020 Survey

https://www.jil.go.jp/english/special/covid-19/survey/documents/20200716.pdf

2nd wave, October 2020 Survey

https://www.jil.go.jp/english/special/covid-19/survey/documents/20201216.pdf

3rd wave, February 2021 Survey

https://www.jil.go.jp/english/special/covid-19/survey/documents/20210430.pdf

Attributes of enterprises giving valid responses

		n	Composition ratio (%)
Total		3,769	100.0
Region	Hokkaido	206	5.5
	Tohoku and Kita-Kanto	550	14.6
	Minami-Kanto	1,179	31.3
	Hokuriku and Tokai	584	15.5
	Kinki	632	16.8
	Chugoku, Shikoku, and Kyushu	618	16.4
Industry	Construction	596	15.8
	Manufacturing	1,038	27.5
	Transport	180	4.8
	Information and communications	173	4.6
	Wholesale trade	1,002	26.6
	Retail trade	170	4.5
	Services	362	9.6
	Accommodations, eating and drinking services	40	1.1
	Medical, health care and welfare	41	1.1
	Others	167	4.4
Size of enterprise	Less than 100 employees	3,152	83.6
	100 to 299 employees	448	11.9
	300 or more employees	169	4.5