

10% of Companies Recruited Foreign Students in the Past Three Years: JILPT Survey on Recruiting of Foreign Students

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Only about 10% of companies in Japan actually recruited foreign students over the past three years. But most of the companies which did recruit foreign students are actively evaluating these recruits, and about 80% of these want to continue recruiting them. On the other hand, companies which did not recruit them have a relatively negative image of foreign students, and nearly 80% of such companies replied “I don’t think so” regarding future recruiting of foreign students. Companies which actually recruited and understand the actual situation of foreign students want to continue actively recruiting them. This seems important evidence for promoting the recruiting of foreign students. It seems there is a very high hurdle to taking the first step with no precedent. Also, few companies which recruited foreign students implement career management or labor management optimized for them, so foreign students are not fully utilized. Detailed care is essential in order to strategically utilize foreign students who have a variety of attitudes and backgrounds.

I. Introduction

Amidst the increasing global competition in recent years, the Japanese government and companies have viewed foreign students as excellent human resources with specialized knowledge and skills. They have begun to look at these students as human resources which they must recruit in order to survive. Foreign students studying in Japan’s universities and graduate schools are increasing each year, with 132,720 foreign students in 2009, double the 55,755 students 10 years before (1999) (according to the Japan Student Services Organization). The previous Liberal Democratic Party-New Komeito administration announced “achieving 300,000 foreign students in the year 2020” in its “Economic Growth Strategy.” This is a policy for actively incorporating foreign human resources with advanced technology and skills. The Democratic Party of Japan took power last summer, and also actively set out to accept foreign students in its “New Economic Growth Strategy” put together at the end of last year. But there is actually less progress than hoped for regarding domestic employment of foreign students.

In order to search for the reasons behind the lack of progress in employment and the reality of domestic employment of foreign students from the perspective of companies and model employment management, The Japan Institute for Labour Policy and Training (JILPT) has performed a questionnaire survey on 15,000 private sector companies with 30 or more employees—Survey on Recruiting Foreign Students (hereafter Company Survey), and has compiled the replies obtained from 3,244 companies (Effective response rate 21.6%, Survey period January 5-23, 2007). Also, as a counterpart to the Company Survey, the

Questionnaire Survey on Foreign Graduates Working in Japanese Companies (hereafter Foreign Students Survey) for former foreign students working in Japanese businesses regarding their experiences in Japanese businesses, in what sense they are working etc. was conducted, and the responses of 902 former foreign students were compiled (the questionnaire was distributed to former foreign students enrolled in 10,349 private sector companies with 300 or more employees). This paper introduces these two findings, and discusses the current state of lack of smooth progress in the employment of foreign students.

First, let us sort out the state of foreign students in Japan and compare it with foreign countries. According to UNESCO's Global Educational Digest 2009, the United States has the most foreign students, at approximately 600,000 (3.4% of all students in the country). Next are the UK at approx. 350,000 (14.9%), France approx. 250,000 (11.3%), Australia approx. 210,000 (19.5%), Germany approx. 210,000 (% data not available), and then Japan with approx. 130,000 (3.1%). Japan has more foreign students than Canada (approx. 70,000, % data not available), Russia (approx. 60,000, 0.6%), and Italy (approx. 60,000, 2.8%), but we can see that Japan's figures are not particularly high. Among these precious foreign students studying in Japan, how many remain and continue to work in Japan? Looking at the number of change permits from student visas to work visas (Number of visa change permit cases of Legal Affairs Bureau), these first exceeded 10,000 when they reached 10,262 in 2007, rising to 11,040 in 2008. The number almost doubled from 2004 (5,264) and 2005 (5,878), indicating a steady increase. However, considering that about 30,000 foreign students graduate from schools every year, only about 30% of foreign students obtain employment and work in Japan. The remaining 70% return to their home country or move to other country to work.

II. Company Survey (Survey on Recruiting Foreign Students)

1. Experience of Recruiting Foreign Students

Let us examine the findings of the Company Survey to specifically find out how many companies recruit foreign students. On enquiring whether foreign students were recruited as regular or contracted employees in the past three years, 9.6% i.e. almost 10% of the companies "Recruited," while almost 89.5% "Did not recruit" (hereafter, for recruiting, the period is for the past three years).

Looking at the "Recruited" percentage by industry, the "Recruited" percentage exceeded 20% for the information/communications industry and general machinery manufacturing industry (information/communications industry = 26.5%, general machinery = 22.5%). The "Recruited" percentage also exceeds 10% in other manufacturing industries: food processing (10.6%), iron and steel, non-ferrous and metal (10.3%), electrical machinery (12.2%), transportation equipment (15.9%), precision machinery (14.9%).

Looking at their numbers of regular employees, 5.8% of companies with 30-49 employees, 9.1% of companies with 50-99 employees, and 10.3% of companies with 100-299

employees “Recruited” foreign students. Thus we see the “Recruited” percentage rises in larger companies, and 36.3% of companies with 300 or more employees, i.e. 1 in 3 larger companies employed foreign students (Figure 1).

2. Perception of Foreign Students

Each company was asked about its perception regarding attributes of foreign students and their employment. Specific perceptions were posed, and replies were received in the three stages of “Agree,” “Neither agree nor disagree” and “Disagree.”

According to that, the perception with the highest percentage of “Agree” was “Strongly self assertive” (42.6%), followed by “Lack Japanese language ability” (38.4%), “Low retention rate” (34.4%), and “Broad international perspective” (30.8%). On the other hand the perception with the highest percentage of “Disagree” was “They are loyal” (29.4%), followed by “They are cooperative” (19.8%), and “Lack Japanese language ability” (12.3%).

For these results, let us compare the companies which “Recruited” and “Did not recruit.” Figure 2 shows the “Agree” response rate for each perception, for companies which “Recruited” and “Did not recruit” foreign graduates. Looking at this, for the positive perceptions, as a general trend it can be understood that the proportion of “Agree” is higher for companies which “Recruited” rather than companies which “Did not recruit” (Right half of Figure 2). On the other hand, for negative perceptions, the proportion of “Agree” is generally higher in companies which “Did not recruit” rather than companies which “Recruited” (Left half of Figure 2).

Looking at each perception, companies which “Recruited” had relatively high ratios which “Agree” with “Strong motivation for work,” “Strong abilities” and “They are cooperative,” and a large gap existed in comparing with companies which “Did not recruit.” Specifically, for “Strong motivation for work,” the difference between “Recruited” companies and “Did not recruit” companies was 27.1 points (54.2% “Recruited” – 27.1% “Did not recruit”), for “Strong abilities” it was 25.9 points (36.5% “Recruited” – 10.6% “Did not recruit”), for “They are cooperative” the difference was 20.8 points (26.0% “Recruited” – 5.2% “Did not recruit”). These were especially large differences.

Also, the perceptions which had a high proportion of “Agree” in companies which “Do not recruit” were “Lack Japanese language ability,” “Low retention rate,” “Do not fit in with Japan’s employment practices,” “Strong demands regarding labor conditions,” etc. Especially, for “Do not fit in with Japan’s employment practices,” the percentage gap between “Did not recruit” companies and “Recruited” companies was a large 17.0 points.

On considering that the replies of “Recruited” companies are based on their experience in contrast to the replies of “Did not recruit” companies, which are closer to their imagined perceptions, it can be said that the perceptions of companies which had recruited is closer to the real truth regarding foreign graduates. As the companies which “Did not

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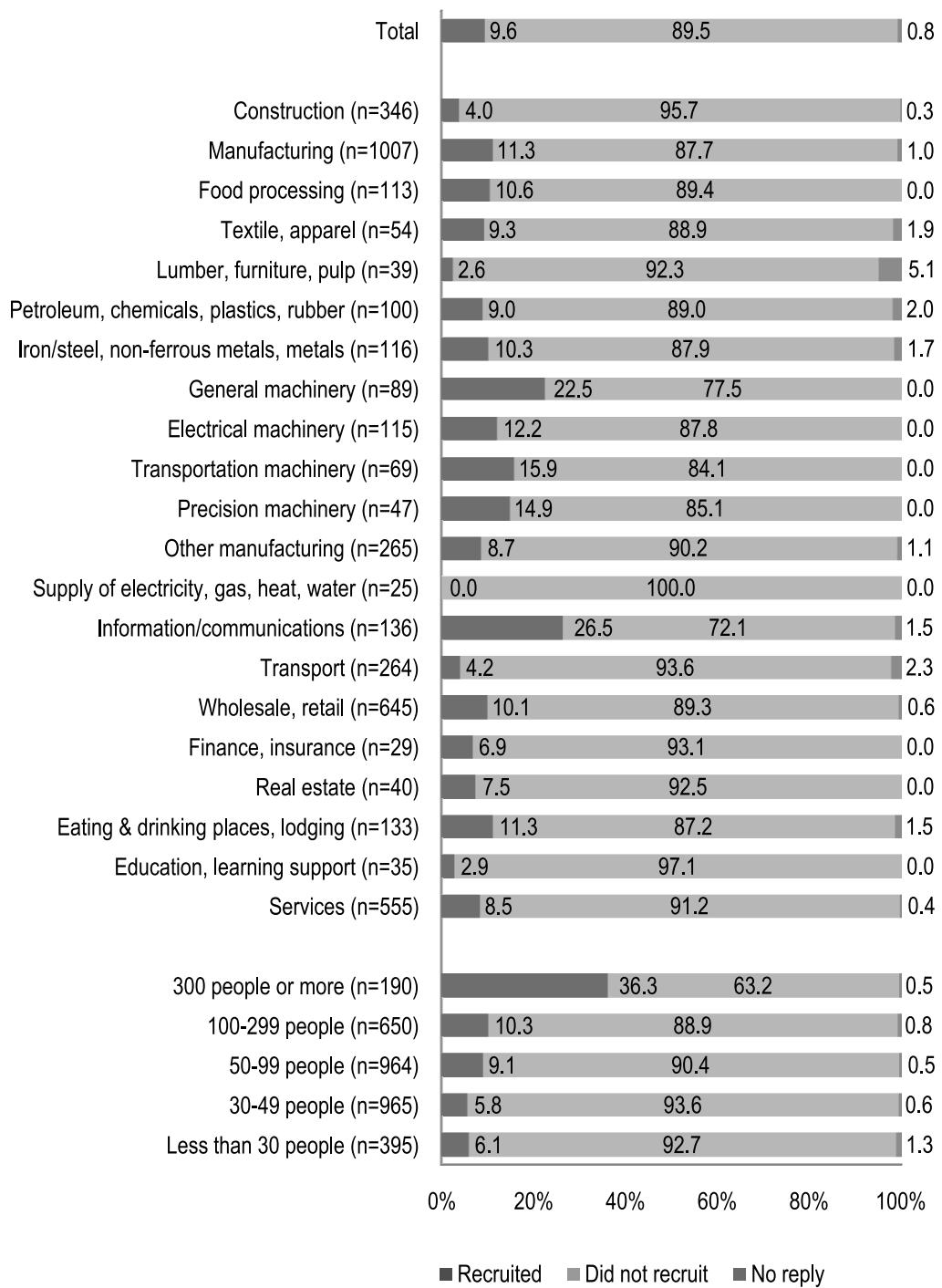


Figure 1. Recruited Foreign Students in the Past Three Years (n=3,244)

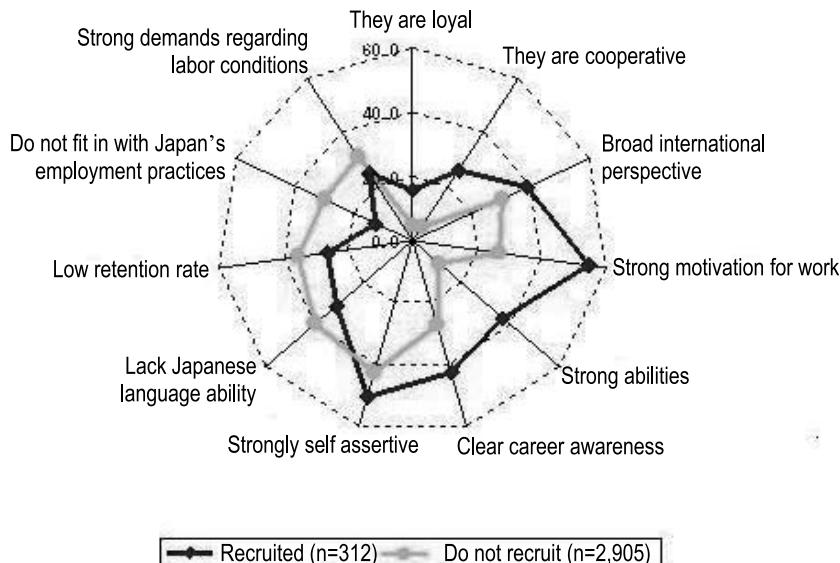


Figure 2. Perception of Foreign Students by Whether Recruited in Past (% , “Agree”)

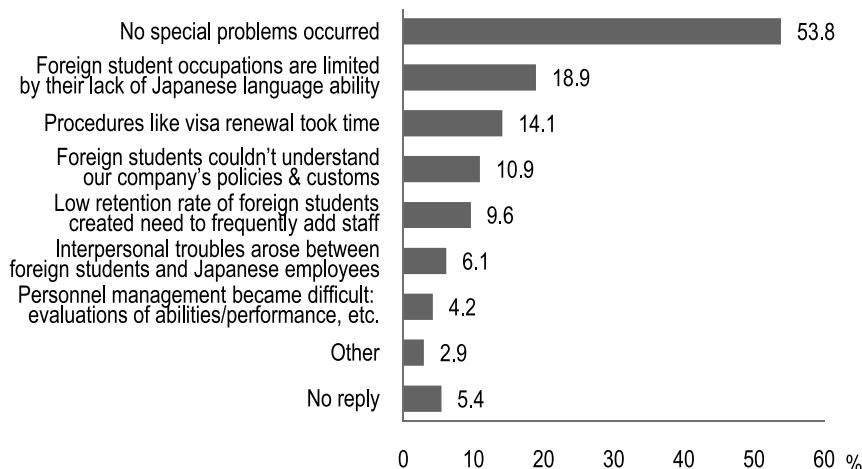


Figure 3. Things that Occurred in the Workplace Due to Recruiting Foreign Students (multiple replies, n=312)

recruit" have such a negative perception, they feel uneasy regarding recruiting foreign students, but when companies which had recruited were asked (multiple replies) whether problems occurred in the workplace, 53.8% i.e. more than half replied "No special problems occurred" (Figure 3).

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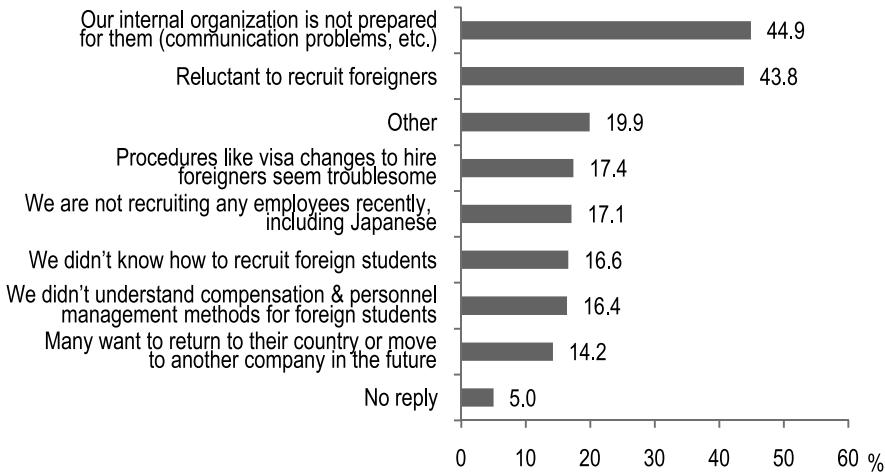


Figure 4. Reasons for Not Recruiting Foreign Students (multiple replies, n=2,905)



Figure 5. Reasons for Having Recruited Foreign Students (multiple replies, n=312)

3. Reasons for Recruiting or Not Recruiting Foreign Students

Due to which specific reasons did the “Did not recruit” companies not recruit international students? On asking the reasons from the companies which replied that they had not recruited (multiple replies), the most common reply (44.9%) was “Our internal organization is not prepared for them (communication problems, etc.),” closely followed by “Reluctant to recruit foreigners” with 43.8% (Figure 4).

Looking at the reasons (multiple replies) of the companies which had recruited foreign students, the most common was “Because we seek excellent staff regardless of nationality (specialized knowledge/technology including academic background and public qualifications)” (52.2%), followed by “Because foreign language is required in work” (38.8%),

“To contribute to business internationalization” (32.4%), and “To incorporate unique skills and ideas of foreigners” (9.3%), (Figure 5).

When asked what effects (multiple replies) recruiting foreign students had on Japanese employees and the organization, the most common reply was “No particular change” (45.8%), followed by “Workplace was energized” (26.0%), “Employees came to have an international perspective” (24.7%), “Employees are studying the foreign student’s native language” (10.9%), etc.

4. Recruiting Methods and Labor Management of Foreign Students

Regarding the recruiting routes for foreign students (multiple replies), the most common reply was “Recruited via newspapers, job search information sites, job search magazines, company’s website, etc.” (36.2%), followed by “Introduction by the university or guidance professor” (27.9%), “Introduction by the employees, parent company, clients” (27.6%), “Used Hello Work (Public Employment Security Office) or Employment Service Center for Foreigners” (18.6%), etc.

Regarding recruiting slots during recruiting, when asked whether separate employment openings were established for Japanese employees and foreign students, 77.6% replied “Recruited without distinguishing from Japanese employees,” 17.3% “Recruited for openings separate from Japanese employees,” and 1.0% replied “Other.” Little difference in results were seen due to numbers of regular employees in the company.

Regarding personnel and labor management, when asked about the six categories of (i) Assignment and job rotation, (ii) Advancement and promotion, (iii) Rating system, (iv) Wage and bonus system, (v) Retirement benefit system, (vi) Providing education and training, in all six categories, “Same handling as Japanese employees” accounted for more than half of the replies.

When asked about the current highest position of recruited foreign students, the most common reply was “General staff class” (48.7%), followed by “Section chief class” (9.6%), “Senior staff class” (9.0%), etc. Viewed by the company’s number of regular employees, 21.7% of companies with 300 or more employees replied “Section chief class.”

5. Future Recruiting of Foreign Students

Regarding whether the company considers recruiting foreign students in the future, for companies which had “Recruited,” 79.5% replied “I think so,” and 15.7% “I don’t think so.” On the other hand, for companies which “Did not recruit,” 19.7% replied “I think so,” and 77.7% “I don’t think so” (Figure 6). It can be understood that “Recruited” companies have positively evaluated foreign students, and are showing a positive attitude towards future recruiting.

Looking at the forecasts of future recruiting of foreign students according to the number of regular employees, the percentage of companies which replied “I think so” about future recruiting was 73.2% for those with 30-49 regular employees, 81.8% for 50-99 employees,

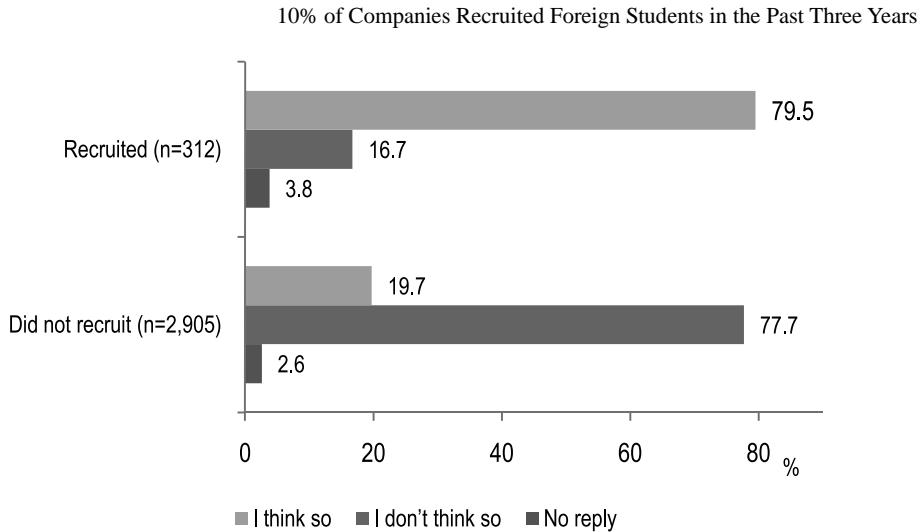


Figure 6. Forecast of Future Recruiting of Foreign Students
(By Past Recruitment of Foreign Students)

79.1% for 100-299 employees, and 84.1% for more than 300 employees. Thus there was little difference in terms of size. In the actual recruitment in the past three years, only 5%-10% of small and medium companies (less than 300 employees) had “Recruited.” But regardless of size, for future recruitment forecasts, 70-80% of small and medium sized companies replied “I think so.” We see that many small and medium sized companies have not actually recruited, but they have a strong interest in recruiting foreign students.

Looking at the forecasts of future recruiting of foreign students according to workplace troubles which occurred in companies which recruited foreign employees, more than half (52.6%) of the companies replying “Interpersonal troubles arose between foreign students and Japanese employees” have replied “I think so” for future recruiting. In companies replying “Procedures like visa renewal took time,” “Low retention rate of foreign students created need to frequently add staff,” or “Foreign student occupations are limited by their lack of Japanese language ability,” regarding future recruitment prospects, more than 70% (88.6%, 80.0%, 71.2%, respectively) replied “I think so” (Figure 7) .

Also, looking at future recruitment forecasts according to the reasons that companies did not recruit, in companies giving the reason “We didn’t know how to recruit foreign students,” (38.2%) replied “I think so” regarding future recruiting. Considering this from another viewpoint, if recruitment methods are known, then there is a possibility that an increasing number of companies will start recruiting foreign students in the future. In companies giving the reason “Reluctant to recruit foreigners,” the percentage of “I think so” is a mere 11.2%, showing a reluctant attitude also towards future recruiting (Figure 8).

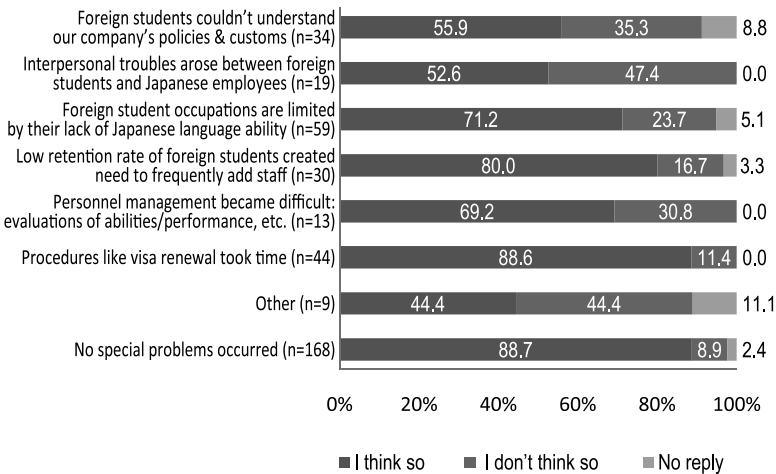


Figure 7. Forecast of Future Recruiting of Foreign Students, by Thing That Occurred in the Workplace Due to Recruiting Foreign

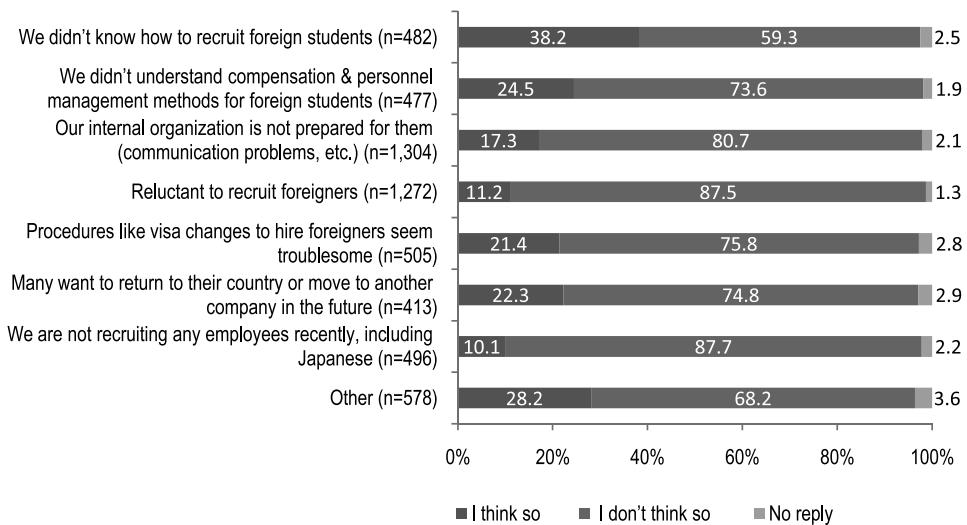


Figure 8. Forecast of Future Recruiting of Foreign Students, by Reason for Not Recruiting

III. Foreign Students Survey (Survey on Foreign Student Graduates Working in Japanese Companies)

1. Reasons that Foreign Students Joined Japanese Companies, and Reasons that Companies Recruit Foreign Students
According to the Company Survey, the government has made accepting foreign stu-

dents a national strategy, and has set out to utilize them as excellent human resources. But only a small minority of companies are actually recruiting foreign students. Few companies which recruited them consciously worked to recruit foreign students. Almost all of the companies treat them totally the same as Japanese employees in employment management. Thus one cannot say they are actively utilizing the special qualities of foreign students. In this situation, let's look at the Foreign Students Survey from the aspects of how former foreign students working in Japan today feel about Japanese companies, what their attitudes are towards working there, and company attitudes and policies.

Survey responses were received from 902 foreign students and 3,018 companies (this survey targeted 10,349 private companies with 300 or more employees). Of the former foreign students working in 703 companies (23.3% of total) which had experience recruiting foreign students, 77.4% of them came from China. 89.8% of them are under age 40, 57.3% are men, and 42.6% women. 53.9% are graduate school graduates, and 40.8% university graduates. 55.7% were humanities students, and 39.3% science or engineering. 60% of them had worked in Japan less than three years.

It is said that about 80% of foreign students studying in Japan want to work in a Japanese company. But why did the foreign students think to seek work in their current company? According to the survey results, the most common reply was “Because I was interested in the content of the work” (66.0%), followed by 48.9% who replied “Because I want to use my abilities in my native language, Japanese language, etc.” (35.5%) replied “Because I felt attracted by the advanced technical abilities of Japanese companies,” and 35.3% replied “Because I can utilize the expertise I learned in school in Japan” (Figure 9).

Looking at this by majors in their last studies, the most common response for both “science/engineering” and “humanities” was “Because I was interested in the content of the work” (“science/engineering” 68.6%, “humanities” 64.7%). For “science/engineering,” this was followed by 49.1% of replying “Because I can utilize the expertise I learned in school in Japan,” and 45.1% saying “Because I felt attracted by the advanced technical abilities of Japanese companies.” For “humanities,” 59.5% replied “Because I want to use my abilities in my native language, Japanese language, etc.” and 29.5% “Because I felt attracted by the advanced technical abilities of Japanese companies.” Science and engineering graduates seem to have a strong desire to utilize the advanced skills they learned in Japanese university.

In the Foreign Students Survey, a survey was done on companies at the same time (hereafter Foreign Students Survey [Company Questionnaire]). When “Companies which recruited foreign students” were asked why they recruited foreign students, the most common reply was “Because we seek excellent staff regardless of nationality” (65.3%). This was followed by “To contribute to business internationalization” (37.1%), “Because foreign language is required in work” (36.4%), etc. This matches the needs of foreign students in the sense of utilizing language, but for actively utilizing the characteristics of foreign students, only 9.4% replied “To incorporate unique skills and ideas of foreigners” (Figure 10).

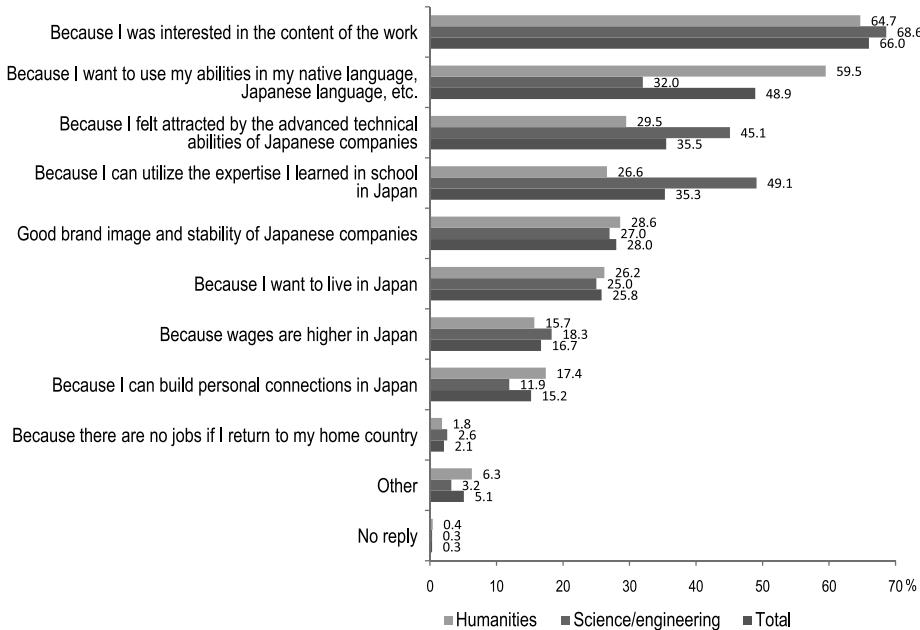
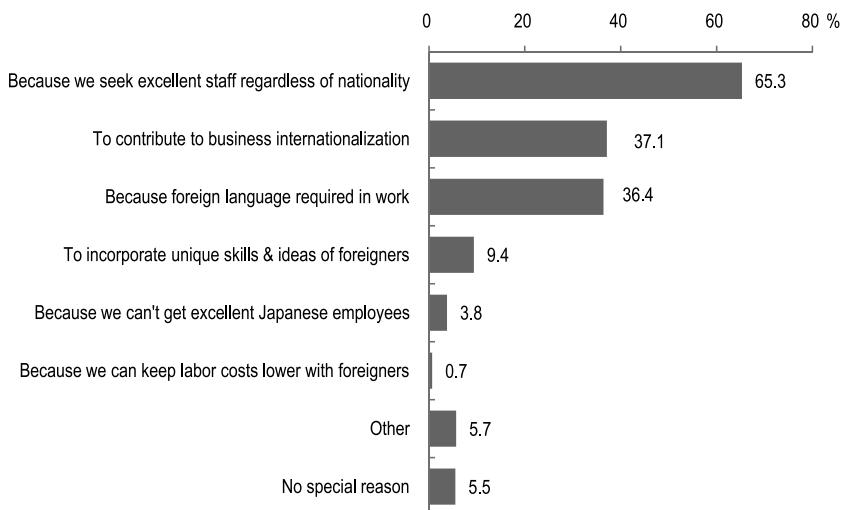
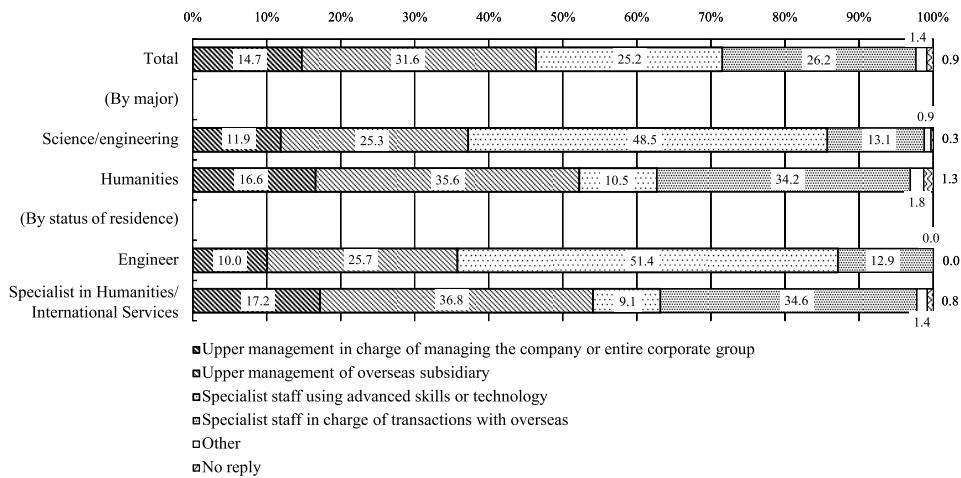


Figure 9. Reasons for Seeking Work in the Current Company
 (n=902, multiple replies, unit=%, by major)
 (Foreign Students Survey)



Note: Compiled for companies which recruited foreign students (“Recruited in the past three years” + “Did not recruit in the past three years, but recruited before then”).

Figure 10. Reasons for Having Recruited Foreign Students
 (n=703, multiple replies, unit = %), (Company Survey)



Note: Omits residency visa qualifications other than “Engineer” or “Specialist in Humanities/International Services.”

Figure 11. Future Career in Japanese Company (n=902),
(Foreign Students Survey)

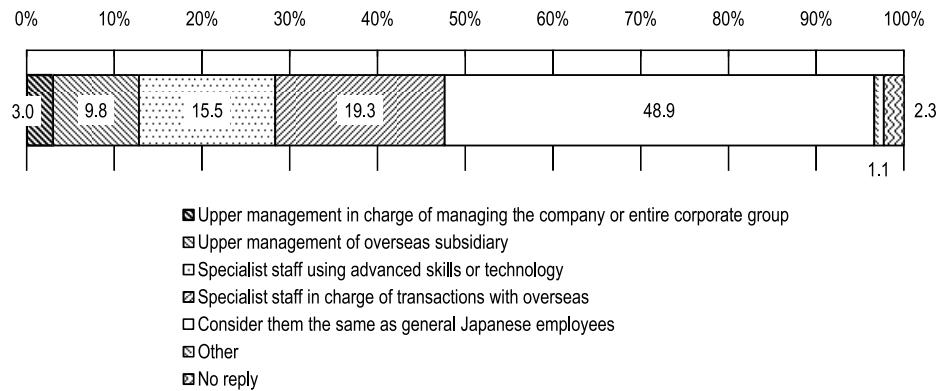
2. Future Careers Desired by Foreign Students, and Future Roles Companies Expect from Foreign Students

What kinds of future careers do foreign students imagine? The most common future career foreign students desire is “Upper management of overseas subsidiary” (31.6%). This is followed by “Specialist staff in charge of transactions with overseas” (26.2%), “Specialist staff using advanced skills or technology” (25.2%), and “Upper management in charge of managing the company or entire corporate group” (14.7%), (Figure 11).

Looking at this by majors in their last studies, the most common reply for “science/engineering” was “Specialist staff using advanced skills or technology” (48.5%). On the other hand, the “humanities” replied “Upper management of overseas subsidiary” (35.6%), and “Specialist staff in charge of transactions with overseas” (34.2%), for a total of almost 70%.

Viewed by status of residence, many science/engineering majors are on “engineer” visas, whose most common reply was “Specialist staff using advanced skills or technology” (51.4%). On the other hand, many humanities majors are on “Specialist in Humanities/International Services” visas, who replied “Upper management of overseas subsidiary” (36.8%), and “Specialist staff in charge of transactions with overseas” (34.6%), for a total of about 70%.

On the other side, what roles do companies which have recruited foreign students want them to fulfill in the future (Foreign Students Survey [Company Questionnaire])? The



Note: Compiled for companies which recruited foreign students (“Recruited in the past three years” + “Did not recruit in the past three years, but recruited before then”).

Figure 12. Future Role Expected of Foreign Students (n=703)
(Company Survey)

most common reply in the survey results was “Consider them the same as general Japanese employees” (48.9%). We see that about half of companies do not have a clear image for future roles expected of foreign students.

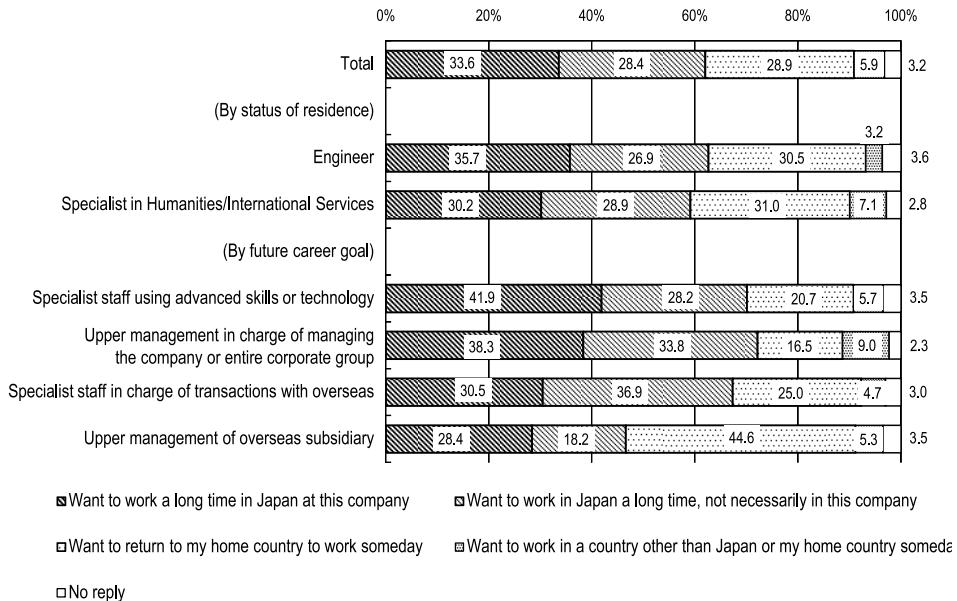
Not many companies replied “Upper management of overseas subsidiary” (9.8%), “Specialist staff in charge of transactions with overseas” (19.3%), or “Specialist staff using advanced skills or technology” (15.5%), which were common roles imagined by foreign students. Thus there seems to be a gap between their views. Only 3.0% of companies replied “Upper management in charge of managing the company or entire corporate group” which would be top management of headquarters (Figure 12).

3. Foreign Students’ Expectations of Future Work in Japan

The Foreign Students Survey also asked about future work expectations: keep working in Japan, leave Japan to work in their home country, etc. According to this, one third (33.6%) replied they want to work at their current company: “Want to work a long time in Japan at this company” (hereafter shortened to “Want to stick to the current company”). The next most common reply (28.4%) was “Want to work in Japan a long time, not necessarily in this company” (hereafter shortened to “Want to work in a Japanese company”), showing that a total 62.0% want to remain in Japan. In contrast, combining “Want to return to my home country to work someday” (28.9%), and “Want to work in a country other than Japan or my home country someday” (5.9%), we see that one third (34.8%) want to work outside of Japan in their home country or a third country (hereafter shortened to “Want to work in my home country or a third country”), (Figure 13).

Looking at this by status of residence, 62.6% of “Engineers” “Want to work in a

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**Figure 13. Expectation of Future Work in Japan (n=902),
(Foreign Students Survey)**

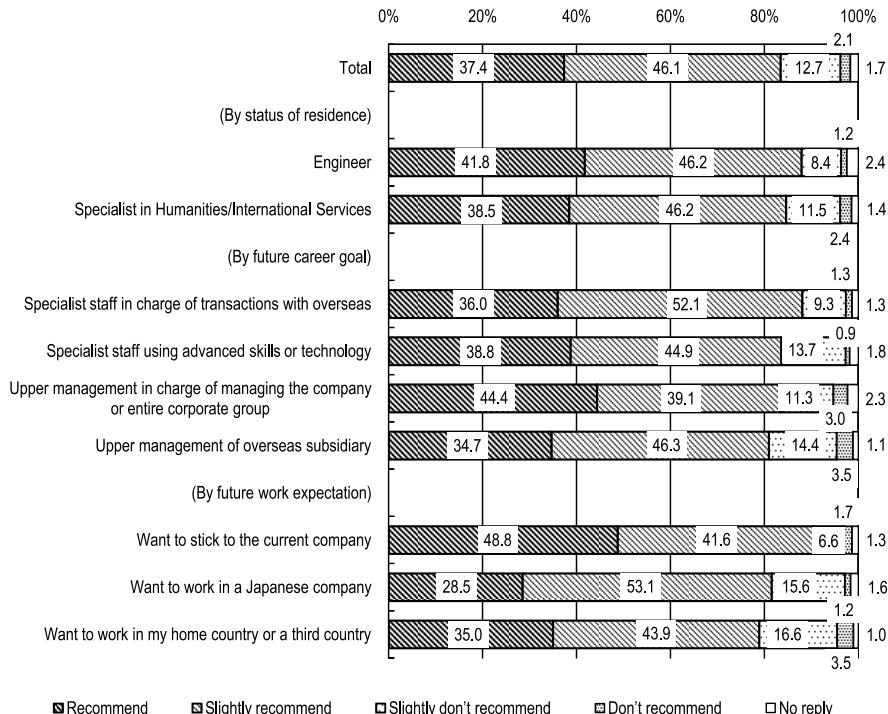
Japanese company,” showing slightly more Engineers want to stick to Japan than the 59.1% of “Specialists in Humanities/International Services.” In contrast, slightly more “Specialists in Humanities/International Services” “Want to work in my home country or a third country.”

Looking by future career desire, of the people who desire “Upper management of overseas subsidiary” as a future career, 44.6% replied “Want to return to my home country to work someday,” and 5.3% “Want to work in a country other than Japan or my home country someday.” Together, half (49.9%) want to leave Japan.

4. Do You Recommend that Foreign Students from Your Country Work in Japanese Companies?

When asked whether they recommend Japanese companies for foreign students from their home country, a large majority (83.5%) replied “Recommend” (“Recommend” + “Slightly recommend”). 14.8% replied “Don’t recommend” (“Don’t recommend” + “Slightly don’t recommend”), (Figure 14).

Looking by status of residence slightly more “Specialists in Humanities/International Services” don’t recommend, compared to “Engineers.” Looking by future career, 17.9% of those who desire “Upper management of overseas subsidiary” are in the “Don’t recom-



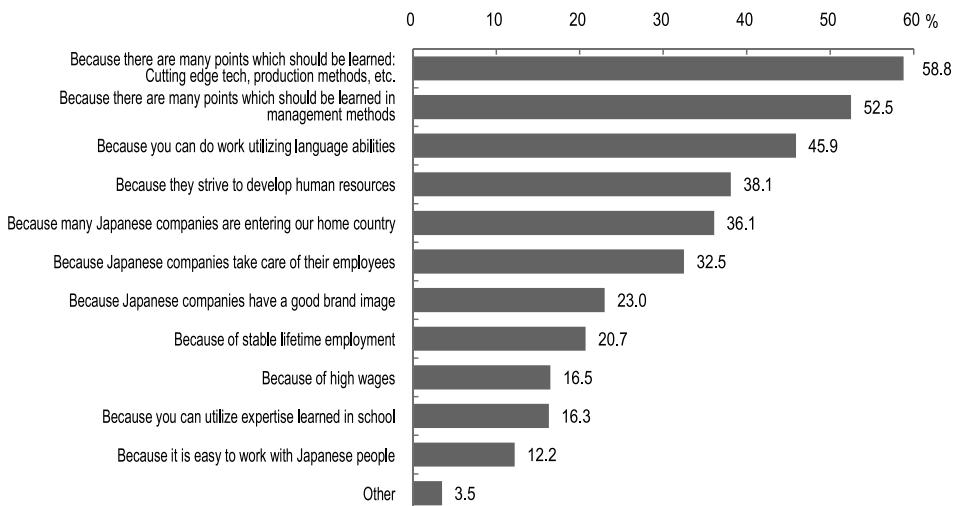
Note: Omits residency visa qualifications other than "Engineer" or "Specialist in Humanities/International Services."

Figure 14. Do You Recommend that Foreign Students from Your Country Work in Japanese Companies? (n=902) (Foreign Students Survey)

mend" group, which is the highest percentage. Looking by future work expectations, 20.1% of those who "Want to work in my home country or a third country" don't recommend, which is the highest percentage. Among people who want to become upper management of an overseas subsidiary and those who want to leave Japan someday, it seems a somewhat high percentage do not recommend Japanese companies.

When people who replied they would recommend Japanese companies to foreign students from their home country were asked why they would recommend, 58.8% said "Because there are many points which should be learned: Cutting edge technology, production methods, etc.," which was the most common reply. This was followed by "Because there are many points which should be learned in management methods" (52.5%), and "Because you can do work utilizing language abilities" (45.9%). The lowest percentage of all replies were "Because of high wages" (16.5%), and "Because you can utilize expertise learned in school" (16.3%). "Because you can utilize expertise learned in school" is a common reason to seek work in a Japanese company, but an uncommon reason to recommend, indicating a gap between thinking and reality, (Figure 15).

10% of Companies Recruited Foreign Students in the Past Three Years



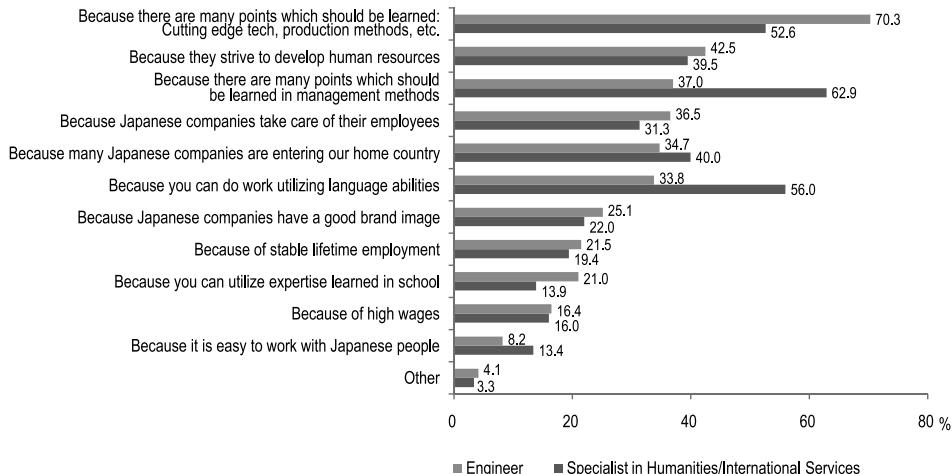
Note: Compiled from foreign students who replied they recommend seeking work in a Japanese company (“Recommend” + “Slightly recommend”).

Figure 15. Reasons to Recommend Seeking Work in a Japanese Company
(n=753, multiple replies, unit=%), (Foreign Students Survey)

Looking by status of residence, compared to “Specialists in Humanities/International Services,” the percentage of “Engineers” who replied “Because there are many points which should be learned: Cutting edge technology, production methods, etc.” is 17.7 points higher, and the percentage of those who replied “Because you can utilize expertise learned in school” is 7.1 points higher. In contrast, compared to “Engineers,” the percentage of “Specialists in Humanities/International Services” who replied “Because there are many points which should be learned in management methods” is 25.9 points higher, and the percentage of those who replied “Because you can do work utilizing language abilities” is 22.2 points higher, (Figure 16).

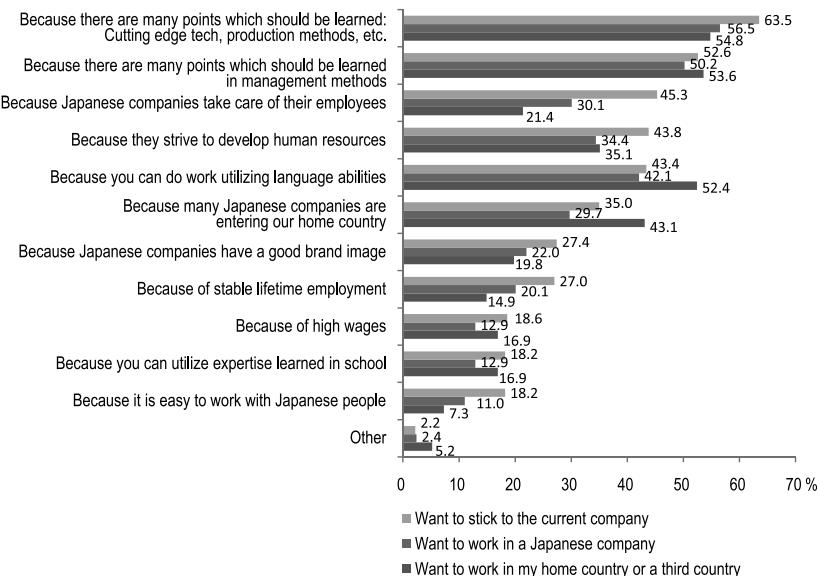
Looking by future work expectations, compared to other types, those who “Want to stick to the current company” were more likely to reply “Because Japanese companies take care of their employees,” “Because there are many points which should be learned: Cutting edge technology, production methods, etc.,” “Because they strive to develop human resources,” etc. Compared to other types, those who “Want to work in my home country or a third country” were more likely to reply “Because you can do work utilizing language abilities,” “Because many Japanese companies are entering our home country,” etc., (Figure 17).

When people who replied they would not recommend Japanese companies to foreign students from their home country were asked why, the most common reply (73.1%) was “Because there seems to be a ceiling to advancement for foreigners,” followed by “Many Japanese companies cannot accept different cultures of foreigners” (61.9%). Other common



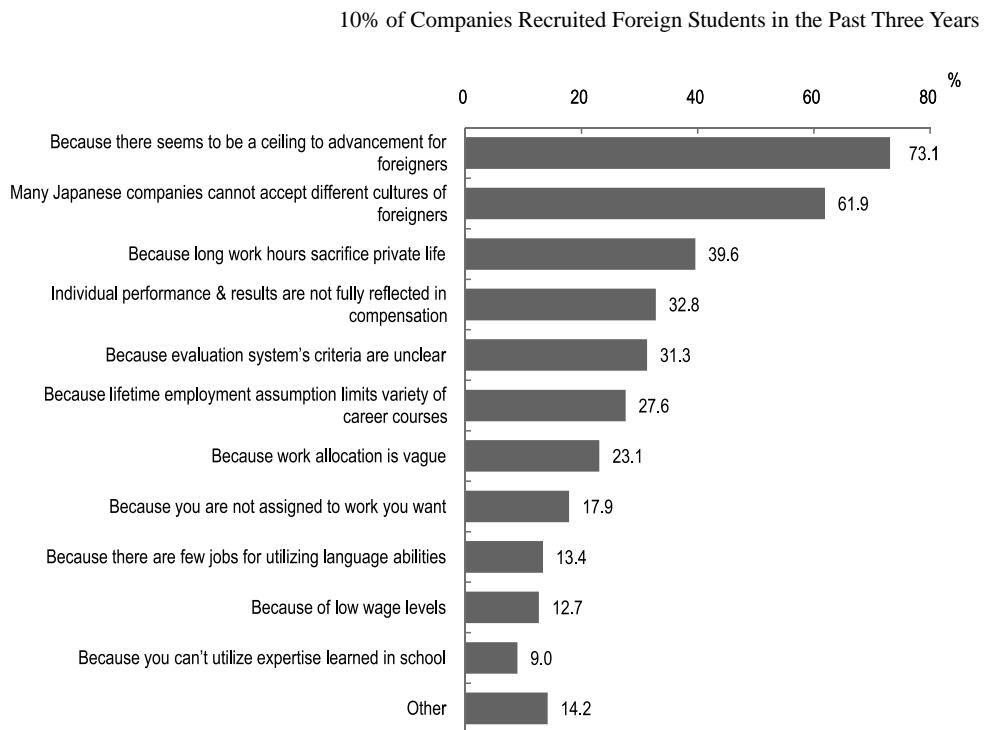
- Notes: 1. Compiled from foreign students who replied they recommend seeking work in a Japanese company (“Recommend” + “Slightly recommend”).
 2. Omits residency visa qualifications other than “Engineer” or “Specialist in Humanities/International Services.”

**Figure 16. Reasons for Recommending Seeking Work in a Japanese Company
(by status of residence), (n=753, multiple replies, unit=%),
(Foreign Students Survey)**



Note: Compiled from foreign students who replied they recommend seeking work in a Japanese company (“Recommend” + “Slightly recommend”).

**Figure 17. Reasons for Recommending Seeking Work in a Japanese Company
(by future work expectation), (n=753, multiple replies, unit=%),
(Foreign Students Survey)**



Note: Compiled from foreign students who replied they don't recommend seeking work in a Japanese company ("Don't recommend" + "Slightly don't recommend").

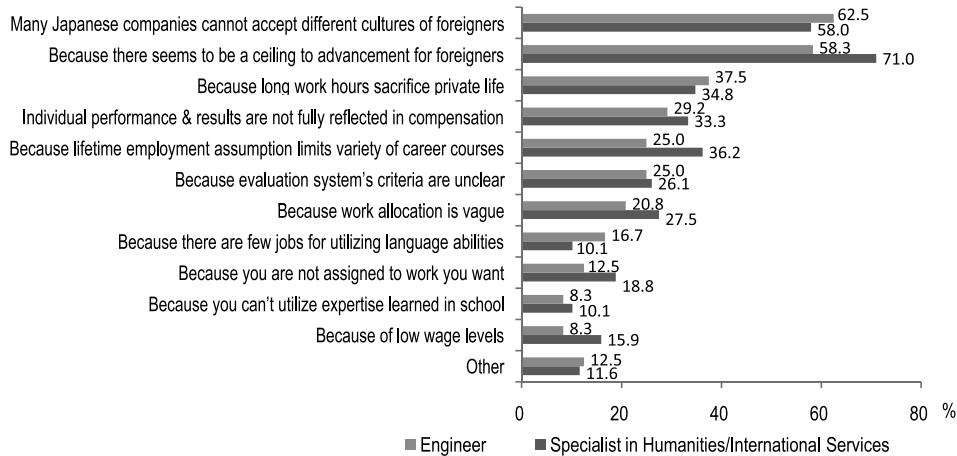
Figure 18. Reasons for Not Recommending Seeking Work in a Japanese Company
(n=134, multiple replies, unit=%), (Foreign Students Survey)

replies raised employment management aspects: "Because long work hours sacrifice private life" (39.6%), "Individual performance and results are not fully reflected in compensation" (32.8%), etc., (Figure 18).

Looking by status of residence, compared to "Engineers," the percentage of "Specialists in Humanities/International Services" who replied "Because there seems to be a ceiling to advancement for foreigners" is 12.7 points higher. "Specialists in Humanities/International Services" are also more likely to reply "Because lifetime employment assumption limits the variety of career courses," "Because of low wage levels," "Because work allocation is vague," "Because you are not assigned to work you want," etc., (Figure 19).

Looking by future work expectations, people who want to leave Japan someday also most often replied "Because there seems to be a ceiling to advancement for foreigners," followed by "Many Japanese companies cannot accept different cultures of foreigners."

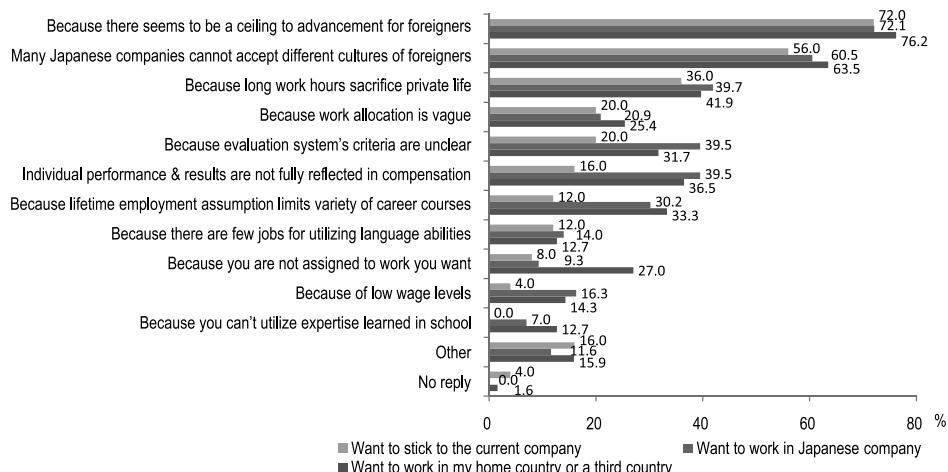
For those who replied regarding the employment aspects of "Because evaluation system's criteria are unclear," "Because of low wage levels," and "Because lifetime employment assumption limits the variety of career courses," percentages were much higher for those who "Want to work in a Japanese company" or "Want to work in my home country" or



Notes: 1. Compiled from foreign students who replied they don't recommend seeking work in a Japanese company ("Don't recommend" + "Slightly don't recommend").

2. Omits residency visa qualifications other than "Engineer" or "Specialist in Humanities/International Services."

Figure 19. Reasons for Not Recommending Seeking Work in a Japanese Company
(by status of residence), (n=134, multiple replies, unit=%),
(Foreign Students Survey)



Note: Compiled from foreign students who replied they don't recommend seeking work in a Japanese company ("Don't recommend" + "Slightly don't recommend").

Figure 20. Reasons for Not Recommending Seeking Work in a Japanese Company
(by future work expectation), (n=134, multiple replies, unit=%),
(Foreign Students Survey)

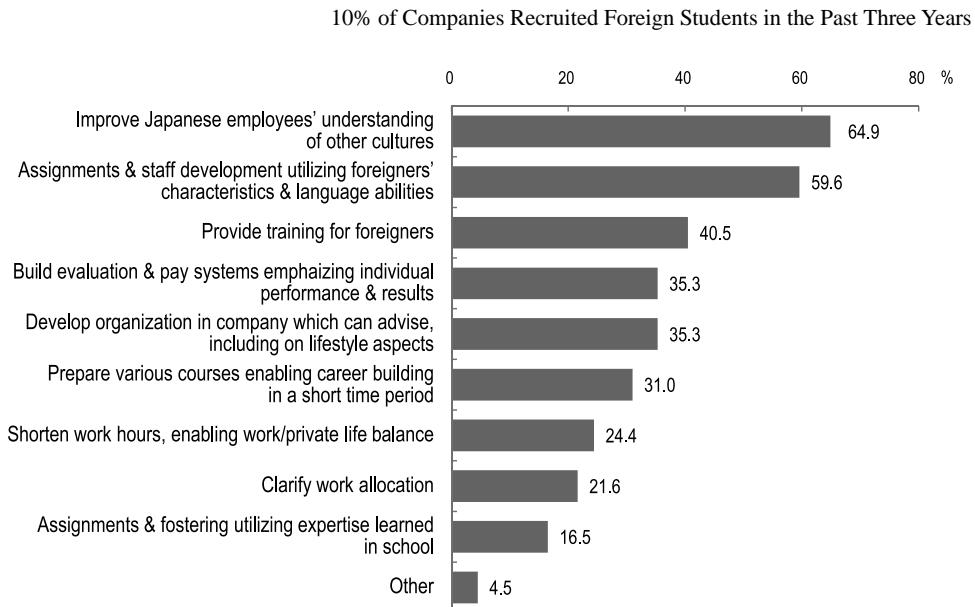


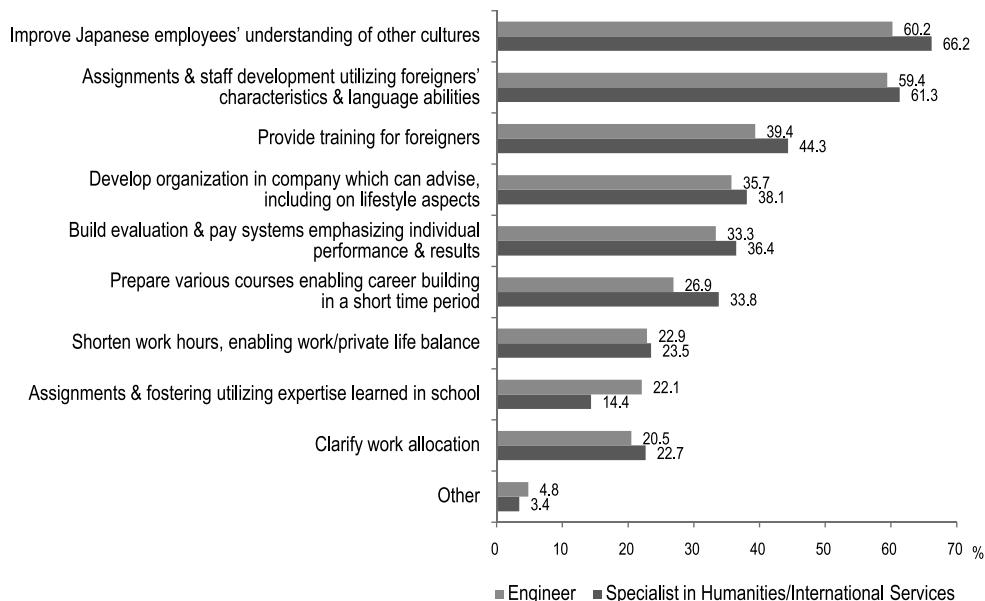
Figure 21. Policies Which Should Be Taken for Foreign Students to Stay and Perform in Japanese Companies (n=902, multiple replies, unit=%), (Foreign Students Survey)

a third country,” compared to those who “Want to stick to the current company.” This indicates dissatisfaction with the Japanese companies where they are now working. And compared to other types, those who “Want to work in my home country or a third country” more often reply “Because you are not assigned to work you want” (Figure 20).

5. Policies Foreign Students Want in Order to Stay and Perform in Japanese Companies

What can be done to encourage foreign students to stay and perform in Japanese companies? The survey asked “What efforts should be made by Japanese companies to encourage foreign students to stay and perform in Japanese companies?” The most common reply (64.9%) was “Improve Japanese employees’ understanding of other cultures.” This was followed by “Assignments and staff development utilizing foreigners’ characteristics and language abilities” (59.6%), and “Provide training for foreigners” (40.5%), (Figure 21).

The most common replies were the same for all statuses of residence: “Improve Japanese employees’ understanding of other cultures,” “Assignments and staff development utilizing foreigners’ characteristics and language abilities,” and “Provide training for foreigners.” But compared to “Engineers,” “Specialists in Humanities/International Services” were more likely to reply “Prepare various courses enabling career building in a short time period,” “Improve Japanese employees’ understanding of other cultures,” and “Provide training for foreigners.” On the other hand, compared to “Specialists in Humani-



Note: Omits residency visa qualifications other than “Engineer” or “Specialist in Humanities/International Services.”

Figure 22. Policies Which Should Be Taken for Foreign Students to Stay and Perform in Japanese Companies (by status of residence),
(n=902, multiple replies, unit=%), (Foreign Students Survey)

ties/International Services,” “Engineers” were more likely to reply “Assignments and fostering utilizing expertise learned in school” (Figure 22).

Looking by future work expectations, the most common reply was “Improve Japanese employees’ understanding of other cultures” for all three types, followed by “Assignments and staff development utilizing foreigners’ characteristics and language abilities.” But the percentage of people replying “Prepare various courses enabling career building in a short time period” increased in the following order from lowest to highest percent: “Want to stick to the current company,” “Want to work in a Japanese company,” and “Want to work in my home country or a third country.” This indicates that especially people who are thinking they want to leave Japan have great needs for various career courses enabling early career formation. Also, those who “Want to work in my home country or a third country” were more likely than others to reply “Shorten work hours, enabling work/private life balance” (Figure 23).

10% of Companies Recruited Foreign Students in the Past Three Years

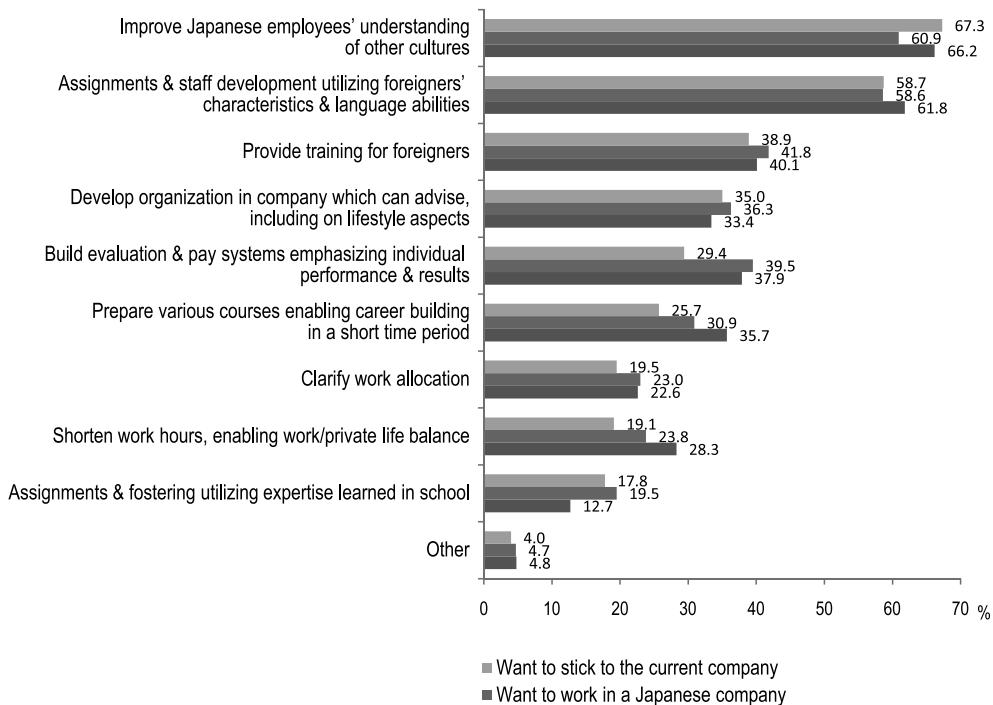
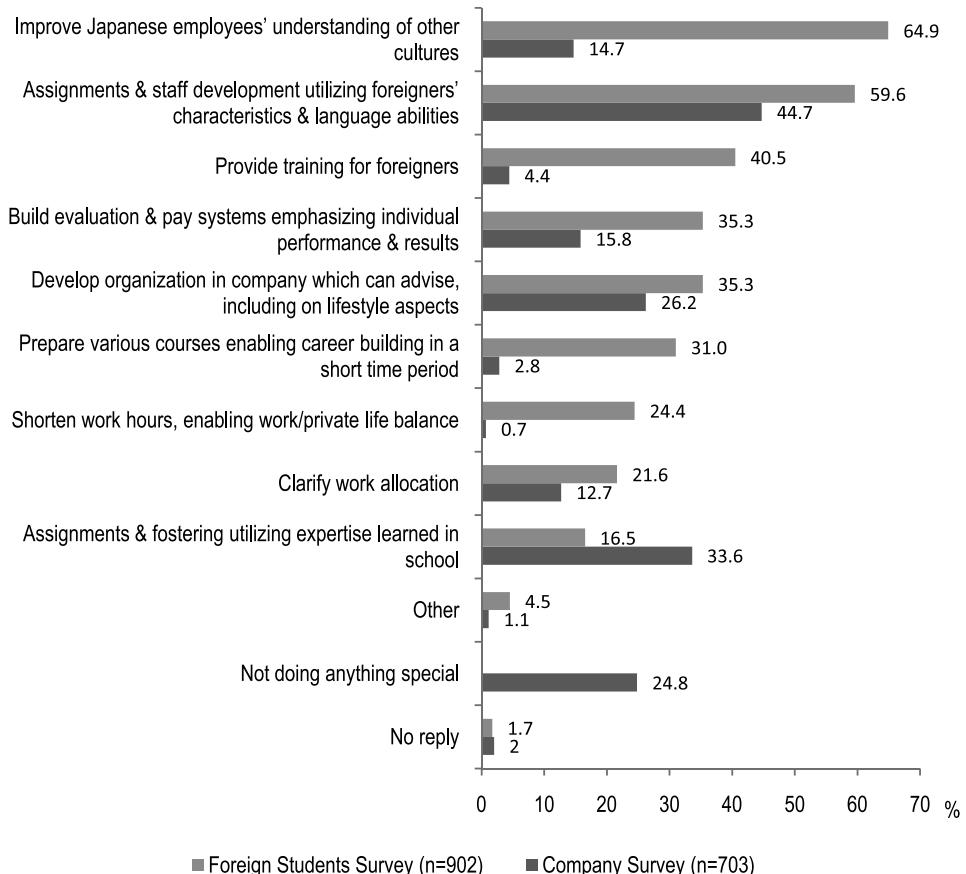


Figure 23. Policies Which Should Be Taken for Foreign Students to Stay and Perform in Japanese Companies (by future work expectation), (n=902, multiple replies, unit=%), (Foreign Students Survey)

6. Gaps between Foreign Students and Companies Regarding Policies to Keep Foreign Students

For foreign students who are thinking this way, what kinds of policies are companies taking (Foreign Students Survey [Company Questionnaire])? Regarding policies for foreign students to stay and perform, the Company Survey and Foreign Students Survey asked almost the same questions. In the Foreign Students Survey, the most commonly desired policies were “Improve Japanese employees’ understanding of other cultures” (64.9%), “Assignments and staff development utilizing foreigners’ characteristics and language abilities” (59.6%), and “Provide training for foreigners” (40.5%). On the other hand, the most common policy implemented by companies is “Assignments and staff development utilizing foreigners’ characteristics and language abilities” (44.7%), followed by “Assignments and fostering utilizing expertise learned in school” (33.6%), and “Develop organization in company which can advise, including on lifestyle aspects” (26.2%). 24.8% replied “Not doing anything special,” showing that one forth of companies are not implementing any special policies for foreigners to stay and perform.



Note: Compiled for companies which recruited foreign students (“Recruited in the past three years” + “Did not recruit in the past three years, but recruited before then”). “Not doing anything special” option is only in the company survey.

Figure 24. Policies Which Should Be Taken for Foreign Students to Stay and Perform in Japanese Companies (multiple replies, unit=%),
(Foreign Students Survey and Company Survey)

Comparing these results, there is a match between companies and foreign students regarding “Assignments and staff development utilizing foreigners’ characteristics and language abilities.” But in the employment management aspects of “Improve Japanese employees’ understanding of other cultures,” “Provide training for foreigners,” “Prepare various courses enabling career building in a short time period,” and “Shorten work hours, enabling work/private life balance,” foreign students have many desires compared to the ratios of company initiatives. These results show a large gap between foreign student desires and policies implemented by companies (Figure 24).