
NEWS

Nearly 40% of Companies Aim to Spend More on Training

Corporate Focus on Training Comes Clear

On March 31, 2017, the Ministry of Health, Labour and Welfare (MHLW) published the results of its FY2016 “Basic Survey of Human Resources Development.” They reveal that corporate expenditure on training outside the workplace (“off-the-job training,” hereinafter “Off-JT”) was 21,000 yen (approximately \$189) per worker, an increase of 4,000 yen (\$36) from the previous year. In forecast spending on Off-JT over the next three years, the ratio of companies “planning to increase” spending was just under 40% for regular employees and 20% for non-regular employees, suggesting a tendency by companies to prioritize education and training. In the individual survey, on the other hand, nearly 70% of regular employees and about half of non-regular employees responded that they would like to plan their own vocational life.

MHLW has conducted this survey every year since 2001, with the aim of clarifying situations of human resource development by companies, business establishments and individual workers in Japan. The survey consists of three parts: (1) a company survey, (2) a business establishment survey, and (3) an individual survey. Of these, the “company survey” this time targeted about 7,300 companies, the “business establishment survey” some 7,200 business establishments, and the “individual survey” around 24,000 individuals.

Upward trend in spending on Off-JT

The results of the company survey show that the amount spent on Off-JT was 21,000 yen per worker in 2016. This is higher than both the previous surveys (17,000 yen in 2015 and 14,000 yen in 2014).

In their actual spending on Off-JT over the past three years (2013-2015), 24.8% of companies responded that they had “increased” spending for regular employees and 10.4% for non-regular employees. In terms of forecast spending over the

next three years, the ratio of companies stating that they “plan to increase” spending was high for regular employees (37.4%) and non-regular employees (20.6%), suggesting a tendency by companies to stress education and training.

HRD of non-regular employees:

60% companies consider themselves responsible

When asked whether the responsibility for human resource development lay with the “company” or with the “individual worker,” 76.1% or nearly three-quarters of companies said that, for regular employees, this was “decided, or mainly decided by the company.” For non-regular employees (short-term contract employees, contract employees, part-time workers, etc., not including dispatched workers or contract workers), 65.6% of companies stated that this was “decided, or mainly decided by the company,” more than 10 percentage points lower than for regular employees.

When asked about the scope of workers particularly targeted for training, 59.1% of companies responded that, for regular employees, their particular targets were “all or almost all the workers,” while 39.9% said that training was focused on “selected or mainly selected workers.” For non-regular employees, on the other hand, 54.8% of companies had their focus on “All or almost all the workers” and 43.0% on “selected or mainly selected workers,” showing a greater tendency to focus on selected employees than in the case of regular employees.

Off-JT for non-regular employees:

Implemented half of that for regular employees

The situation of Off-JT from the results of the business establishment survey, 74.0% of business establishments implemented Off-JT for regular employees in 2015, an increase of 2.0 points from

the previous fiscal year. For non-regular employees, the ratio increased by 0.4 points year-on-year to 37.0%, which is only half of the figure for regular employees. The most common type of Off-JT provider for both regular and non-regular employees was “in-house,” this accounting for 76.5% among regular employees and 87.5% among non-regular employees.

Difficulty in setting items for fair evaluation

Meanwhile, 53.8% of business establishments evaluated the vocational ability of their regular employees and 36.5% that of their non-regular employees. Evaluations of vocational ability by business establishments were most commonly used as “judgmental criteria for performance appraisal (for determining bonuses, salaries, promotions and demotions, internal transfers and job displacements, etc.)” (80.9%), followed by “optimization of personnel allocation” (63.2%) and “setting goals for vocational development necessary for workers” (47.0%), in that order.

Of business establishments that evaluated vocational ability, 67.4% saw problems in their efforts to evaluate vocational ability, an increase since last time (63.8%). In a breakdown of the problems, the most common was “difficulty in setting items for fair evaluation for all divisions and job types” (72.7%), followed by “inconsistent content of evaluation, partly because evaluators have not understood evaluation standards” (49.6%) and “excessively large burden on evaluators” (26.9%),

among others.

Majority of workers positive about Off-JT

The results of the individual survey show that the ratio of workers who attended Off-JT in 2015 was 46.3% among regular employees (44.1% last time) and 21.8% among non-regular employees (20.9% last time). Both are increasing since the previous survey. When asked how useful they found the Off-JT they attended, positive views (the total of “It was useful” and “It was somewhat useful”) were in the majority both for regular employees (94.6%) and for non-regular employees (94.1%).

30% of non-regular employees “don’t know” their vocational life plan

Workers were also asked about their thoughts on their own vocational life planning. In response, 29.1% of regular employees said “I want to plan my own career” and 38.9% said “Given the choice, I would prefer to plan my own career path.” In total, therefore, nearly 70% (68.0%) expressed their wish to plan their own vocational life.

In fact, even 22.2% of non-regular employees said “I want to plan my own career” and 26.2% said “Given the choice, I would prefer to plan my own career path.” In other words, about half of them (48.4%) wished to think proactively about their own careers. However, the ratio of non-regular employees who said they “don’t know” was 30.0%, more than twice that of regular employees (14.2%).