Reengineering Talent Management to Make Japan Great Again

By Shinya Yamamoto
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Japanese Strength

- Teamwork
- Hard Working
- Elaborate, Delicate
- Quality Consciousness

But . . . Are they really still our Strength?
World Economic Growth (GDP)

Source: World Bank
How Japanese Economy has grown

- Growth of 5-14%
- 524 trillion Yen peak in 1997
- No growth for 25 years
Now, the Market is ASIA, expanding!

GDP shares In 2010

Global GDP $62 trillion
Asia 27%

GDP shares In 2050

Global GDP $292 trillion
Asia 51%

but not Japan
Business is going Out of Japan

We all know
the Center of Business is Asia
but not Japan anymore
Business is going out of Japan.

Business follows the global market shift.
HR has to follow the shift along.
World Population as of 2015

China 1376m
India 1311m
USA 321m
Indonesia 257m
Brazil 207m
Pakistan 188m
Nigeria 182m
Bangladesh 161m
Philippines 101m
Japan 126m
Mexico 127m
Russia 143m
Vietnam 93m

soon will be:
Asian population
> 50% of world population

Source: United Nations Statistics Division
How Japanese Population has grown and . . .

- x3 in last 100 yrs
- 1/3 in next 100 yrs.

Source: 「戦後日本の人口移動と経済成長」第三特別調査室 縄田 康光

Years: 748 1500 1721 1774 1804 1846 1880 1905 1960 2005 2050

Population (in millions):
- 1900: 43.8 million
- 1930: 64.4 million
- 2000: 128.061 million
- 2010: 122.74 million
- 2100: 47.71 million

Engaging, Enriching and Enabling Global Leaders
and . . . the famous Aging Society

% of over age 65

Avg. age = 53 (in 2050)

Total pop (mil. people)
% of population over 65

Engaging, Enriching and Enabling Global Leaders

ITD WORLD
The Global Leadership Development Expert

ARTDO INTERNATIONAL
WORLD CONFERENCE ON LEADERSHIP AND TALENT DEVELOPMENT
16-18 November 2016 | Crowne Plaza Manila Galleria, Manila
Declining Charm of Japan as a Market and as a Production site

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Labor Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>128 million</td>
<td>81 million</td>
</tr>
<tr>
<td>2020</td>
<td>124 million</td>
<td>73 million</td>
</tr>
<tr>
<td>2030</td>
<td>116 million</td>
<td>67 million</td>
</tr>
<tr>
<td>2050</td>
<td>96 million</td>
<td>50 million</td>
</tr>
</tbody>
</table>

Labor population gets smaller, too.
Japan is Shrinking

Japanese companies are questioned,
Where to produce?
Where to sell?
& What to sell?
Requiring not-traditional
New Strategic Talent Management
In the Past, Japan has grown as

• Japan/Japanese companies have grown enjoying the growing economy, domestically.
Generation Issues in Japan

in the world:
- Traditionalist (1900-1945) ⇒ “write me”
- Baby Boomer (1946-1964) ⇒ “call me”
- Generation X (1965-1980) ⇒ “mail me”
- Generation Edger (2000-) ⇒ ???

additionally, in Japan:
- Veteran generation enjoyed the growth vs.
- Young generation never experienced the growth
Generation Gap Issue in Japan

Are you satisfied with your current life?
People Need to Change

Need to get Away from Mono-Culture
Understanding different Cultures
Accepting different Value sets
Overcoming Generation gaps
and need to change communication style
with language skills
All these Environment Changes require

1. Highly Specialized Professionality
2. Leadership to make Decision in Speed
3. Leadership to lead Diversified People
4. Logical Story Development Skills
5. High-level Communication Skills
In All these Happening Environment

How do we

Make Japan Great Again?
How do we Japanese keep our Strengths still Strengths?

<Teamwork>

Change Teamwork style

from irresponsible consensus decision making “Friendship club” or “Family like” style
to discussion oriented hot-spot developing “Professional team” style
How do we Japanese keep our Strengths still Strengths?

<Hard Working>

Keep Hard Working habits, but:

✓ goal/purpose oriented
✓ productivity (cost) oriented
✓ time conscious
How do we Japanese keep our Strengths still Strengths?

<Elaborate, Delicate & Quality conscious>

Keep Quality Conscious characteristics and culture, but being;

✓ strategic
✓ purpose oriented (product-out to market-in)
✓ time and cost conscious
How do we Japanese keep our Strengths still Strengths?

<People>
Additionally, “Individual Talent Development” is strongly required.

◆ Language skills
◆ Diversity accepting ability/mind-set
◆ Communication style and skills
◆ Management style and skills
Case of TOYOTA
Strengthening its Team and Culture

• Refined TOYOTA WAY booklet in 8 languages
• Redesigned and strengthen Leadership Development Programs at Toyota Institute
• Rebuilt all managers workshop to remind origin of Toyota people development
• Further thorough of Toyota Business Practice
• Strengthening On-the-Job-Trainings
Case of HITACHI
Strengthening the Team but
Changing Organization and Culture

In last 4 years,
✓ Redesigned HR Policy and global HR network
✓ Redesigned HR organization/function (Ulrich’s HRT style), invited global HR professionals to Tokyo HQ
✓ Clarified and redefined HR authorities
✓ Started a new leadership training to 20,000 managers

Hitachi has 50+ business lines, in 50+ countries, with 360,000+ employees
Case of NISSAN
Developing Strong Individuals

- Refined organization rules with clarification of job responsibilities and authorities
- Developed global leadership programs, for 4 levels, with Walton, IMD, Waseda and “Renault and Nissan”
- Developed a new career development plan with redeveloped leadership programs all specialized for the future Japanese leaders
- Enhancement of voluntary L&D programs
Case of TAKEDA Pharmaceuticals
Changing almost Everything

Takeda is the largest Japanese pharmaceutical company

• Completely global organization
• English as an common business language
• Right person in the right place HR globally
• French CEO, Japanese Chairman, British CHRO, American CRO, German CCO, . . . Head of Talent Management in Dubai, etc.
Members selected in July
Reading assignment
360 degree F/B
or other assessment

1st Term 5days
- CEO session
- Assessment F/B
- People Management
- Communication
- Team building

2nd Term 4days
- Leadership
- Strategy
- Marketing
- Directors Dialogue

3rd Term 4days
- Leadership
- Presentation
- Ethics

Action Learning Projects
- Project W/S
distance coaching
- Project W/S
distance coaching
- Project W/S
Presentation to CEO

July
September
October
November
December
Trend of Talent Management in Japan

• More Budget, more L&D programs
• Talent Pool / Selection of Employees
• Global Leadership Programs in English
• Action Learning Programs
• Globalization of HR Function & Organization
• Languages, Compliances, Coaching, etc.
HR has to be Right

Don’t just run training programs right,
but HR has to Do the Right Things
but, You know . . .
Japan is still Great
Have you seen this news yesterday?

Japanese road reopens one week after vast sinkhole appeared
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