
KKC INTERNATIONAL PLATFORM

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Challenge 30

Challenge Initiatives for 30% of Executives to be Women by 2030 #herewego203030

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<https://challenge203030.com/EN.php>

Promotion of active participation in the workforce by diverse people

The keys to sustainable capitalism are the inclusion and co-creation of diversity. Corporations are being called on to establish environments that will draw out to the fullest the ability of diverse people to co-create value.

If the differences in the environment between men and women in corporations, the home, and society as a whole no longer existed, given the male-to-female population ratio (94.8 men for every 100 women, as of October 2019), it would be a natural conclusion for women to account for around 50% of leadership positions. It is important we continue to pursue the ideal of realizing such a society, and new, highly set targets would provide a driving force toward their achievement.

Companies should actively promote diversity in gender, age, nationality, and background, and any disability. As an indicator of that goal, they should strive to increase the percentage of women on boards of directors and the recruitment of foreign nationals and mid-career personnel. As a specific target, they should aim to increase the percentage of female executives (including not only directors under the Companies Act, but also executive officers and equivalent) to 30% or more by 2030.

As part of “The NEW Growth Strategy” that looks ahead to the post-COVID-19 era, Keidanren is accelerating the promotion of active participation in the workforce by diverse people in order to achieve inclusion and co-creation of diverse value — the keys to sustainable capitalism.

To accomplish this, an aspirational target for 30% of executives to be women by 2030 has been set by the initiatives of “Challenge 30”. Furthermore, Keidanren has been working together with the 30% Club Japan, a campaign by company leaders that strives to increase the representation of women on the boards of TOPIX100 companies, to achieve their common goals.

Four Points to achieve this target

As business leaders, Keidanren promotes diversity and inclusion with the following four points in mind, to create a movement to achieve this target and lead growth through innovation and the creation of a sustainable society.

1. Positioning diversity and inclusion as key corporate strategies, carry out initiatives that lead to business impact.
2. By focusing on boards of directors — the decision-making bodies of companies — accelerate initiatives to apply the perspectives of a diverse range of people, including women, to the execution of operations and governance.
3. Provide support in line with each career stage, from hiring to leadership development (including identifying candidates), in order to ensure there is a continuous supply of successors at each level and generation in an organization.
4. Pursue the creation of organizations and environments that can maximize the performance of all employees by breaking away from previous employment practices and reforming the organizational culture.

Positioning diversity and inclusion as key corporate strategies

In order to position diversity and inclusion as key corporate strategies, business leaders should carry out initiatives that lead to business impact. Below are some examples of points that business leaders must check.

☒ You are promoting diversity and inclusion, expecting good results for your business. It is important to believe in and work towards the expected effects and results.

(Bad example: You don't understand the advantages of diversity.)

☒ You think of diversity and inclusion as an urgent issue rather than a mid- to long-term one. In these rapidly changing times, it is important to work persistently and tirelessly towards the target.

(Bad example: You put off starting talent development for years because it is time consuming.)

☒ You don't hold discussions based on male-centered interpersonal relations that are governed by unspoken rules. It is important to proactively develop and appoint enthusiastic and capable people with diverse attributes.

(Bad example: Discussions are carried out with only the same members at the bar, break room, etc.)

☒ Unconscious bias is not rampant in your organization.

It is necessary to consciously work to eliminate bias, which people tend to have wherever you go.

(Bad example: You adjust the duties of women with small children before asking what they want.)

☒ You are making an effort to provide stretch assignments.*

Assignments that aren't necessarily connected to previous experience or precedents lead to growth for both the individual and the organization.

(Bad example: You tend to evaluate women only on performance and not potential)

* Method of encouraging growth by providing experience and tasks that go a little beyond the individual's current job or assigned duties.

☒ You are talking about the importance of diversity in your own words.

Words express one's soul. It is important for leaders to continue to convey the message in their own words.

(Bad example: You leave conveying the message to the relevant department.)

To strengthen the talent pipeline

It is important to providing support in line with each career stage, from hiring to leadership development (including identifying candidates), in order to ensure there is a continuous supply of successors at each level and generation in an organization.

Below are examples of support programs in line with career stages.

1. Hiring stage

- Secure female applicants

Depending on the industry and occupation, proactively hold briefings for women. Approach potential candidates from junior high and high school for science and engineering in particular.

- Eliminate unconscious bias in the job interview

Reduce interviewers' bias towards certain attributes (e.g. gender, career) and train interviewers beforehand.

2. Junior employee stage

- Establish junior female employees

Instill a culture where people can pursue careers regardless of gender (e.g. promote with a top-down approach, take action to ensure all employees take full advantage of personnel systems). Boost motivation to continue working after a life event (e.g. provide opportunities to interact with senior employees, develop careers of talented women ahead of the usual schedule).

3. Low-level management stage

- Maintain balance between work that entails responsibility and home life

Correct long work hours. Promote flexible work styles such as remote work and flextime. Reexamine employee relocation and jobs assigned away from employees' families.

- Increased career support

Provide support through mentor/sponsorship programs.

4. General manager stage

- Select and train candidates

Create a list of executive candidates that takes into account gender balance and make it visible to the head of the company. Establish a framework for systematic selection, training and evaluation, based on the commitment of all executives including the head of the company.

- Increased career support

Give stretch assignments such as appointing them to serve as an executive or president of an affiliated company. Provide support through mentor/sponsorship programs.

- Increased career support

During all of the above career stages, the following actions should be taken.

- ## Calling out for Support

(Excerpt from the Challenge 30 website)



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KEIDANREN (Japan Business Federation) is a comprehensive economic organization with a membership comprising 1,461 representative companies of Japan, 109 nationwide industrial associations, and 47 regional economic organizations (as of April 1, 2021).

Keizai Koho Center (Japan Institute for Social and Economic Affairs, KKC) has served as a bridge for the Japanese business community to interact with its key stakeholders inside and outside Japan. With a wide range of its domestic and international programs, KKC has developed a worldwide network encompassing businesses leaders, lawmakers, government officials, journalists, university scholars, and school teachers.

The **KKC INTERNATIONAL PLATFORM** is a forum to discuss new developments, changes, and challenges of Japan and the international society.

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