THE JOURNEY TO INCLUSION:
Building Workplaces That Work for Women in Japan
About this study

The Journey to Inclusion: Building Workplaces That Work for Women in Japan explores workplace culture in Japan and, specifically, the impact of inclusion on women. We sought to answer some big questions: does feeling included matter to individual or team performance? (Hint: It does!) Are there gender differences in what helps employees feel included? (Yes!) And, what can Japanese leaders do to promote feelings of inclusion for women and men? (Forgive, empower, be humble.)

To find answers to these questions, we surveyed 468 team members from finance, technology, pharmaceutical, and consumer products companies. Participants were aged 21 and older, and employed full-time in organizations with more than 50 employees.

This study builds on our previous work, Inclusive Leadership: The View From Six Countries, conducted across Australia, China (Shanghai), India, Mexico, Germany, and the United States.
THE CASE FOR CHANGE
Women’s participation in the workforce is vital to the economic success of Japan, yet millions of educated women sit at home.

Japan’s workforce is in crisis. The third largest economy in the world is facing unprecedented demographic challenges. More employees are retiring than entering the workforce, and the national population is declining. These two forces—an ever-ageing and shrinking population—mean fewer workers and less tax revenue. At precisely the time that more people will be relying on the government for services, the fewest workers will be in the economy providing the funding for them.

Meanwhile, three million educated women sit at home.
Why aren’t more women working?

The reasons for lower female participation in the workforce cut across government and corporate policies and societal norms. While it’s true that many women exit the workforce when they have children, it’s a myth that child-rearing is the primary reason Japanese women quit their jobs. In fact, one study found that 63% of Japanese working women quit because they weren’t satisfied with their jobs, and 49% quit because they felt stalled in their careers. Many women want to work, even after having children, but often it’s the workplace culture that is pushing them out the door and keeping them home.

Catalyst has documented many common barriers for women at work across the globe, and one of the biggest is a culture of exclusion. Women face scores of daily microaggressions that send the message that they don’t fit in: being interrupted while they are speaking, having their ideas dismissed, only to watch the same ideas gain acceptance when a man proposes them, and being excluded from social invitations. This dynamic may cause many women to check out or give up because they are constantly reminded that they don’t belong and they won’t succeed.

Turning the tide is a complex undertaking and will require a government-corporate partnership. The Japanese government is working to remove structural barriers (e.g., increasing the number of daycare spots), making it easier for women to choose to work. Now, it’s up to corporations to create the culture for success, making the workplace somewhere women want to work.
HOW CAN COMPANIES ATTRACT AND RETAIN WOMEN?

INCLUSIVE LEADERSHIP
INCLUSION = FEELING THAT YOU (BELONG + ARE UNIQUE)

Diversity and inclusion are often mentioned together; of the two concepts, diversity is much easier to understand. It’s visible. People can see gender or nationality, for example. Inclusion, on the other hand, is invisible. You can’t see it or touch it; you feel it. Diversity, while important, only brings different people in the door. It’s an organization’s inclusive culture that makes them stay.15

So, what is inclusion? What does it feel like? From our previous research across six countries, we discovered that an inclusive culture has a balance of two factors: employees need to feel like they belong in their team and they need to feel valued for their unique skills and capabilities.16 It’s a subtle mix of simultaneously fitting in with the team while also retaining your individuality. These findings held true across both women and men in Japan as well.17

Given that teamwork is a hallmark of Japanese culture,18 perhaps it shouldn’t be surprising that the component of inclusion that aligns most closely with teamwork—the need to belong—scored so highly in our research (64% of people in our survey reported that they “often” or “always” feel like they belong in their team).19 With such a strong culture of teaming, it is also not surprising that the inclusion component that aligns more closely with individuality—the feeling of being unique—scored lower (only 22% of people in our survey reported that they “often” or “always” feel unique).20

Overall, our findings are a wake-up call for Japanese businesses, as only 35% of both women and men surveyed said they “often” feel included in their workplaces.21 Clearly, there is much work to be done to build office cultures where all employees feel like they can succeed.

Only 35% of both women and men surveyed said they “often” feel included in their workplaces.

PEOPLE IN OUR STUDY REPORT THAT IN THEIR WORKGROUPS THEY OFTEN FEEL:

- Included: 35%
- Belong: 64%
- Unique: 22%
An inclusive culture isn’t just about making employees feel good. It has real-world, tangible benefits—innovation, cooperation, and higher retention.

While inclusion itself might be difficult to see, you can see the impact it has on company and team performance. Our research suggests that when people feel included, it drives innovation and cooperation.²² And we uncovered that in Japan, inclusion is particularly impactful on women’s tendency to innovate. Women are nearly twice as likely to engage in innovative behaviors (i.e., suggesting new products or processes) when they feel valued as individuals.²³ For Japan, this has potentially dramatic implications, as innovation has been touted as a key driver to economic growth.²⁴ In fact, the Japanese government has boldly stated that “it will be innovation that unquestionably will resolve the issues we face in the future.”²⁵

In addition to fostering innovation and cooperation, companies with inclusive cultures have higher retention.²⁶ Building inclusive work cultures could help solve two of Japan’s biggest challenges: retaining and advancing women, and fostering innovation.

Building inclusive work cultures could help solve two of Japan’s biggest challenges: retaining and advancing women, and fostering innovation.

### INCLUSION IS POWERFUL

<table>
<thead>
<tr>
<th>Behaviors among men and women who felt most included*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>74% MORE COOPERATIVE</strong>²⁷</td>
</tr>
<tr>
<td>(Helping colleagues with heavy workloads, picking up responsibilities of absent colleagues, and volunteering to help their managers.)</td>
</tr>
<tr>
<td><strong>81% MORE INNOVATIVE</strong>²⁸</td>
</tr>
<tr>
<td>(Identifying opportunities for new products and processes and trying out new ideas and approaches to problems.)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Women who felt the most valued as individuals demonstrated*</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEARLY 2X MORE INNOVATIVE BEHAVIORS²⁹</td>
</tr>
</tbody>
</table>

*versus those who felt it the least
AN ACTION PLAN FOR JAPANESE LEADERS
To build a more inclusive culture, leaders need to raise the profile of each employee’s individual contributions.

Organizational culture is built day by day, interaction by interaction. It’s the small behaviors, habits, and norms that, taken together, define “how things are done.” Changing a company’s culture begins with changing behaviors.

Behavioral change is never easy, and this one—highlighting individual contributions is going to be a significant challenge. It strikes at the heart of Japanese culture: the overriding philosophy that prizes group unity over individuality. (See sidebar: Individualism in a Culture of “Wa.”)

To help managers on their journey, we’ve identified the leadership behaviors that drive feelings of inclusion in employees. Specifically, our previous research found that inclusive leaders demonstrate four behaviors—empowerment, humility, accountability, and courage. We tested this construct in Japan and it proved true as well, but with one exceptional difference. Forgiveness also surfaced as an important leadership behavior. As a result, for men and women in Japan, five characteristics define an inclusive leader.

Fortunately, leaders don’t have to focus on all five behaviors to move the needle. Three behaviors—forgiveness, humility, and empowerment—rose to the surface as the most critical.

Only 14% of people in our survey feel their managers “often” or “always” lead inclusively.

In Japan, forgiveness, humility, and empowerment are the most significant leadership behaviors in contributing to both women’s and men’s feeling unique and consequently feeling included.
Individualism in a Culture of “Wa”

Maintaining wa is paramount in the workplace, and you don’t have to look far to see its fingerprints on office culture. For example, praise is more often attributed to a team than to an individual; decision-making is consensus-driven; verbal disagreement with a decision is uncommon; and even debating an idea is discouraged as too antagonistic. In general, expressing different opinions is uncomfortable. In fact, silence will often be employed as a tool to restore harmony during stressful or confrontational situations.

Group unity is sacrosanct, at the expense of individualism. But in today’s fast-paced global economy, and with Japan’s goal to drive more innovation, businesses may need to embrace a more modern interpretation of wa. The challenge for Japanese leaders is to find a way to acknowledge the individual talents of employees in a way that respects the tradition of wa.

So, how can managers make employees feel valued and appreciated for their distinctive talents in a culture of wa? Some actions to consider:

- Seek out an employee and ask for his or her opinion on a topic, one-on-one.
- Send a personal email to a direct report, thanking him or her for a job well done.
- Give a small award to an employee to display on his or her desk as a sign of appreciation.
- Send an email to the entire team recognizing someone’s success.
- Start an employee-of-the-month award within the team.

Grand gestures aren’t necessary to make people feel valued and appreciated. Small tokens of appreciation can have a big impact.

“Wa”: A Definition

Wa is a foundational element of Japanese society. It can best be described as “harmony.” The overriding tenet of wa is to maintain peace, unity, and conformity within a group. Wa not only places team goals ahead of individual goals, it actively discourages individualism as evidenced in the famous Japanese proverb, Deru kui wa utareru, “The nail that sticks out gets hammered down.”
THREE ACTS TO FOSTER INCLUSION: FORGIVENESS, HUMILITY, AND EMPOWERMENT
Show forgiveness.

In a culture governed by wa, where group unity is paramount and individuals resist sticking out, it naturally follows that if you want to encourage individual risk-taking, forgiveness is essential. Without it, no one wants to try new ideas, admit to a mistake, or challenge the status quo for fear of being reprimanded. People remain silent out of self-preservation.

Forgiveness helps break that cycle and creates an atmosphere where employees feel safe to express themselves. Amy Edmondson, a Harvard Business School professor, calls this “psychological safety.” A culture with psychological safety is one where employees feel like they “will not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes.” While our study shows that forgiveness is important to both women and men, forgiveness is critical in creating an environment where women feel psychologically safe.

Given that in 2016 only 7% of senior positions were held by women and 73% of businesses had no women in senior leadership positions at all, it’s easy to see how personal risk-taking could be challenging for women. Knowing that their male managers will be supportive if things go awry creates a safe zone. And women, more than men in our study, need to work in a forgiving environment to speak up about tough problems or issues, explore new ideas, and share their perspectives.

To create an inclusive culture where both women and men thrive, leaders must recognize that mistakes are part of the job and errors are a learning moment, and then demonstrate accountability without the kind of punishment that leaves women feeling more targeted and singled out because of their gender.

“William L. McKnight, who served as 3M chairman of the board from 1949 to 1966, sent this message to managers...

‘Management that is destructively critical when mistakes are made kills initiative. And it’s essential that we have many people with initiative if we are to continue to grow.’...Tolerance and encouragement are two key essentials [for every employee].”

—Denise R. Rutherford, PhD, Former President, 3M Japan Limited

EMPLOYEES WHO FEEL PSYCHOLOGICALLY SAFE AT WORK:

- Are willing to take risks regardless of rank or status.
- Freely speak up about problems and tough issues.
- Trust teammates will not act in ways that would undermine their efforts or work.
- Are confident mistakes will not be held against them.

feel MORE INCLUDED and INNOVATE MORE
Act with humility.

Of the actions leaders can take, our findings suggest that humility is one of the most powerful in driving uniqueness—making people feel appreciated for what they contribute to the team.\(^47\) And it’s easy to see why. Humble leaders readily acknowledge that they don’t have all the answers. They understand that it’s the team’s effort that will create a better solution. So, they seek opinions from others. They gladly give credit to the team for successes. They admit their own mistakes and, importantly, they forgive mistakes. Humble leaders signal to team members that their unique perspectives and thoughts are valued.\(^48\)

Given the complexity of business today, many of the most effective problem-solvers and innovators won’t be individuals. They will be high-performing teams supported by humble leaders—managers who adeptly leverage the unique skills and capabilities of their diverse talent.\(^49\)

“Imagine a CEO taking time to visit restaurants in each and every of the 47 prefectures [traveling 43,500 kilometers],\(^50\) to get to the real problem in order to start afresh. Imagine being staff at a McDonald’s restaurant and the CEO coming in to say a simple thank you. How inspiring is that?”

—Blog referencing McDonald’s Holdings Japan CEO Sarah Casanova\(^51\)

---

OF PEOPLE IN OUR STUDY:

![Image of a magnifying glass with statistics]

**ONLY 23%**

SEE HUMILITY FROM THEIR MANAGERS\(^52\)

**BUT the ones who see it the most report**

FEELING A SENSE OF UNIQUENESS\(^61\) 61% MORE

*versus those who saw it the least*
Empower your employees.

Steve Jobs, the late Apple CEO, once said, “It doesn’t make sense to hire smart people and tell them what to do; we hire smart people so they can tell us what to do.” Empowerment is all about trust and the delicate balance of delegation versus control.

Letting go of detailed decision-making is one of the most difficult behaviors to master, especially in a traditionally top-down business culture. But, when you challenge your employees to come up with new ideas, when you give your teams the power to make decisions, when you provide air cover and support so they can test those ideas, you develop an engaged and empowered workforce. One that feels free to challenge the status quo. One where innovation can thrive.

In our study, both women and men viewed empowerment as one of the most impactful leadership behaviors driving innovation. Employees who saw the most empowerment from their managers reported 47% more innovative behaviors than those who saw the least empowerment from their managers.

“The individualities and innovative opinions of employees cannot be fully utilized under the old style of leadership in which everything is decided via a top-down approach. It is vital that this concept of ‘inclusive leadership’ is disseminated at various levels of management.”

—Makoto Kuwahara, Representative in Japan, Deutsche Bank Group

OF PEOPLE IN OUR STUDY:

30% SEE EMPOWERING BEHAVIORS FROM THEIR MANAGERS

Women and men who felt the most empowerment reported* 47% MORE INNOVATIVE BEHAVIORS

*versus those who saw it the least
Lead inclusively every day.

As a leader, you have tremendous influence on your team’s emotional connection to their work. By creating an inclusive culture, you can accelerate positive change. You can help your employees feel valued and appreciated. They, in turn, may become more engaged and innovative, benefiting your company and possibly even contributing to greater results. As employees and companies prosper, so does society.

Transformative change doesn’t happen overnight. It takes perseverance and a single first step. Making the leadership changes our research suggests can go a long way toward building workplaces that work for women and making room for everyone to succeed. Begin the journey today.

---

SHOW FORGIVENESS

Admit to mistakes (either your own or from an employee). View all mistakes as a learning moment. Openly discuss what happened with the team, identify what can be done differently in the future, and move on.

Encourage individuals to take risks. Provide input early to help mitigate any challenges and set the employee up for success.

Instead of penalizing failure, recognize what the employee has done and help him or her move forward in a constructive way.

---

ACT WITH HUMILITY

Show that you welcome different opinions by asking, “What are your thoughts?”

Demonstrate that you don’t have all the answers by asking, “I am not familiar with this. Can you teach me?”

As a leader, solicit 360-degree feedback regularly to show that no one is perfect and feedback helps make a leader stronger.

---

EMPOWER YOUR EMPLOYEES

Listen more, dictate less. Offer suggestions, but allow your employee to make the decision.

Make a conscious effort to advance women employees by placing them in high-profile jobs and providing them the support to be successful.

Delegate responsibilities and provide support if things don’t go as planned.

---

Chiri mo tsumoreba yama to naru.

“Even dust piled up becomes a mountain.”

catalyst.org
Endnotes

1. Participants were recruited by contacting HR & D&I professionals in Japan. HR professionals were asked to enroll managers and their teams with the following characteristics: mixed gender workgroups, employees at all levels, aged 21 or older, employed full-time. The sample included 317 (68%) men and 151 (32%) women with an average age of 39.


17. Participant survey responses to inclusion items were submitted to CFA. Inclusion was treated as a latent composite comprised of the two latent indicators: uniqueness and belongingness. Model statistics indicated adequate fit of the composite model [$\chi^2$=8 (8, N=470)]=12.70, p<.05, RMSEA=0.04, CFI=0.99, SRMR=0.02.


19. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”

20. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”

21. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”

22. Jeanine Prime and Elizabeth R. Salib, Inclusive Leadership: The View From Six Countries (Catalyst, 2014). In previous reports, cooperation was identified using the term team citizenship.

23. Linear regression analyses included uniqueness, belongingness, and participant gender, and controlled for age, tenure, and rank. The overall model was significant, F(6,465)=34.14, p<.001. Uniqueness and gender were significant factors within the model, B=.52, t(11.37), p<.001 and B=-.13, t(2.09), p<.05. Belongingness was a nonsignificant factor, B=-.06, t(-1.47), p>.05. Data was filtered to include only women and regression analysis was run with only uniqueness predicting innovation. Percentage change was developed by calculating the regression equation utilizing the minimum and maximum values of uniqueness.


27. Linear regression analyses included inclusion and controlled for participant gender, age, tenure, and rank. The overall model was significant, F(5,465)=27.22, p<.001. Inclusion was a significant factor within the model, B=41, t(11.35), p<.001. Percentage change was developed by removing control variables and calculating the regression equation utilizing the minimum and maximum values of inclusion.

28. Linear regression analyses included inclusion and controlled for participant gender, age, tenure, and rank. The overall model was significant, F(5,465)=25.70, p<.001. Inclusion was a significant factor within the model, B=40, t(9.58), p<.001. Percentage change was developed by removing control variables and calculating the regression equation utilizing the minimum and maximum values of inclusion.
29. Linear regression analyses included uniqueness, belongingness, and participant gender, and controlled for age, tenure, and rank. The overall model was significant, F(6,465)=34.14, p<.001. Uniqueness and gender were significant factors within the model, B=−52, t(11.37), p<.001 and B=−.13, t=−2.09, p<.05. Belongingness was a nonsignificant factor, B=−.06, t=1.47, p>.05. Data was filtered to include only women and regression analysis was run with only uniqueness predicting innovation. Percentage change was developed by calculating the regression equation utilizing the minimum and maximum values of uniqueness.


34. Participant survey responses to inclusive leadership items were submitted to CFA with five factors: empowerment, accountability, courage, humility, and forgiveness. Model statistics indicated adequate fit of the model [χ²(109, N=470)=306.25, p<.001, RMSEA=.06, GFI= .93, SRMR=.04].

35. Empowerment, humility, and forgiveness were identified as critical factors by using a path model and linear regression analyses. Specific findings are detailed further in the report.

36. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”


40. The Government of Japan, "Innovation Japan."


43. Participant surveys were submitted to a path model where empowerment, accountability, courage, humility, and forgiveness predicted psychological safety then inclusion. Empowerment significantly predicted psychological safety, β=-.52, p<.001. Examination of the gender subgroups indicated a significant path from both empowerment and forgiveness to psychological safety for women, β=-.59, p<.001 and β=-.13, p<.1, respectively. Forgiveness was nonsignificant for men, β=.03, p>.05.


45. As part of the study methodology, qualitative data (quotes and stories) were collected from dozens of executives, leaders, and study participants in Japan. Data were analyzed and synthesized to help illustrate study findings.


47. Linear regression analyses included empowerment, accountability, courage, humility, and forgiveness while controlling for participant gender, age, tenure, and rank. The overall model was significant, F(9,465)=13.05, p<.001. Empowerment and humility were significant factors within the model, B=−32, t(5.23), p<.001 and B=−17, t(2.84), p<.01, respectively.


51. Saskia Rock, “‘Still Lovin’ It!’ CEO Sarah Casanova Working Her Passion at McDonald’s Japan,” GLOBIS Insights.

52. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”

53. Percentage change was developed by removing control variables and calculating the regression equation utilizing the minimum and maximum values of inclusion.


56. Linear regression analyses included empowerment, accountability, courage, humility, and forgiveness while controlling for participant gender, age, tenure, and rank. The overall model was significant, F(9,465)=9.72, p<.001. Empowerment was a significant factor within the model, B=−25, t(4.20), p<.001.

57. Percentage change was developed by removing control variables and calculating the regression equation utilizing the minimum and maximum values of inclusion.

58. As part of the study methodology, qualitative data (quotes and stories) were collected from dozens of executives, leaders, and study participants in Japan. Data were analyzed and synthesized to help illustrate study findings.

59. Participant scores were dichotomized to identify whether their average response was either “Never” or “Sometimes” and “Often” or “Always.” Data reported reflects the percentage of participants reporting “Often” or “Always.”

60. Percentage change was developed by removing control variables and calculating the regression equation utilizing the minimum and maximum values of inclusion.

61. As part of the study methodology, qualitative data (quotes and stories) were collected from dozens of executives, leaders, and study participants in Japan. Data were analyzed and synthesized to help illustrate study findings.