Enhancing Businesses through WEPs Support —Questionnaire Response Results from Japanese WEPs Participants—

The Global Compact Research Center (Japan)

Introduction

The international community focuses higher and higher attention to the Women's Empowerment Principles (WEPs)¹, collaboration between the United Nations Global Compact and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) since 2010, for promoting women's empowerment. This initiative looks at seven Principles of women's empowerment at the workplace, market place, and community. Participating CEOs around the world support this through signing the CEO Statement of Support and work toward empowerment of women, monitor practices, and annually report to the UN WEPs team.

Japan is strenuously making efforts to implement this program since the early days of WEPs. The Hosei Global Compact Research Center for the Support of the Global Compact, Japan² has participated in the annual WEPs events since 2009 in terms of research into the current situation of WEPs activities, published their results, and promoted understanding of WEPs among stakeholders in Japan. The UN Women Japan Liaison Office³, established in Sakai City, Osaka Prefecture, in 2011, introduced activities of the UN Women and promoted participation in WEPs. The Japan National Committee for UN Women⁴ has promoted the company's understanding of WEPs since 2011. The Global Compact Japan Network⁵ assumed leadership in 2012 and provided WEPs information to the GC-JN participants. Since 2012, the Japanese WEPs team⁶, of which the Gender Equality Bureau Cabinet Office of the Japanese Government serves as a secretariat, has been taking measures for promoting public relations targeting corporate society, understanding of WEPs and collaboration among stakeholders.

After significant efforts in related areas, Japan became a leading country for the WEPs' initiative. As of April 2013, among the 558 worldwide WEPs participant companies, Japanese companies accounted for more than one-third (191) of this list. These include multi-national corporations, domestic companies, large companies, and small and medium-sized companies. These companies represent a wide of industries and size diversity. Recently, the international community recognized Japan's efforts; both the UN Secretary-General Ban Ki-moon and the former UN Women Executive Director Michelle Bachelet praised these companies' efforts in speeches⁷.

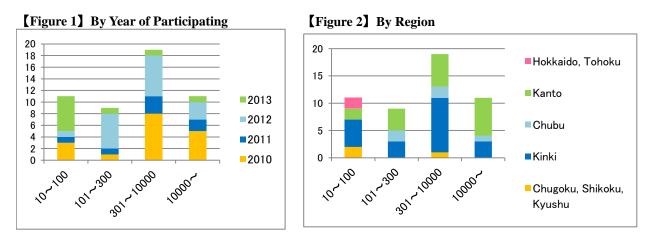
WEPs participant-related information can be obtained from the "participants' list" available on the UN website. This information is available exclusively in English; it

* Co-authors: EBASHI Takashi, Researcher, GCRC ONISHI Sachiyo, Researcher, GCRC states the company name, industry, and country of headquarter. Inadequate participant information has become a major obstacle toward the promotion of participation. Therefore, the GCRC passed on a questionnaire to every Japanese WEPs participant in spring 2013 to gather basic data and obtain adequate information on the actual conditions and performance of WEPs participants. This study is the first nationwide research on the trends among WEPs participants. The UNGC and the UN Women strongly support it.

A total of 50 out of 194 (191 + 3 newest members) companies answered the 2013 survey, representing a relatively high response rate for a survey of this kind. This results show the strong motivation of WEPs participants to propel businesses' operations and goals through WEPs participation. We hope to accurately describe the situation of WEPs participants nationwide for the first time from their responses. Surprisingly, a total of eight responses were received from companies and/or organizations not on the UN approved "participants' list".

Questionnaire responses provided the following details: number of participants in each category of company by type, number of employees, and annual sales. Among company type, 13 were "Private/Owner enterprises", 23 were "Listed companies", 11 were "Subsidiaries or local corporations", two were "Others", and one identified itself as "N/A". In terms of the number of employees, 20 SMEs are comprised of 300 employees or less, and 30 are comprised of 301 or more employees.

In terms of annual sales, 19 companies reported "Less than USD 50 million", seven reported "Between USD 50 million and 250 million", one reported "Between USD 250 million and 1 billion", 10 reported "Between USD 1 billion and 10 billion", and 11 reported "USD 10 billion and more". Two companies regarded themselves as "N/A". Therefore, these figures clearly indicate the diversity of Japanese corporate WEPs participants in this study.



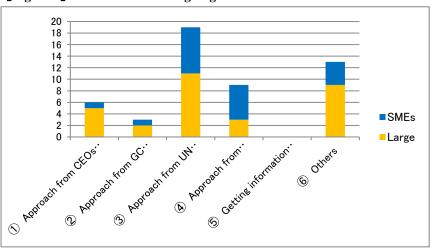
We examine the answers to each question and analyze the current state of WEPs participants in Japan.

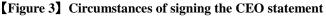
1 Joining the WEPs

Among the total number of companies surveyed, 17 companies joined the WEPs in 2010, seven in 2011, 17 in 2012, and nine in 2013. These numbers suggest that the UN Women Japan Liaison Office and economic organizations have been striving to promote WEPs participation⁸. As the number of CEOs and organizations that accept outreach activities has increased and the Japanese WEPs team has begun operations, we are hopeful to see a continuous increase in the number of participants.

2 Circumstances of signing the CEO statement

Among the total number of companies surveyed, six companies reported "Approach from CEOs who had signed the statement before", three reported "Approach from the GC Japan Network", 19 reported "Approach from the UN Women Japan Liaison Office", nine reported "Approach from government or local government", and 13 reported "Others". "Others" includes the initiatives by their CEOs, the approach by an international WEPs leader, efforts of group companies, and the approach by women's organizations to which each CEO belongs. No company reported "Getting information from media".





Regionally, 12 of 19 headquarters (63.2%) located in the Kinki area signed the CEO statement by referral from the UN Women Japan Liaison Office. This ratio is significantly higher than other areas, suggesting that the UN Women Japan Liaison office in Sakai City, has achieved effective results.

In terms of company size, large companies represented a higher proportion than SMEs. They include those that are introduced by CEOs who are already part of the WEPs, the UN Women Japan Liaison Office, WEPs leaders in Japan, and the parent company.

Therefore, the most effective methods to persuade WEPs participation are approaches from companies that are already WEPs participants and from WEPs-related organizations. WEPs is taking this same approach to achieve its goal of promoting women's empowerment in collaboration with stakeholders, peers, business partners, supply chains, and community organizations. In contrast, the Japanese media have been reluctant to introduce the WEPs initiatives to date, which explains our finding of no participant referrals from the media. However, with the recent improvement of media understanding, we expect participation motivated by this channel to increase.

3 Financial commitments

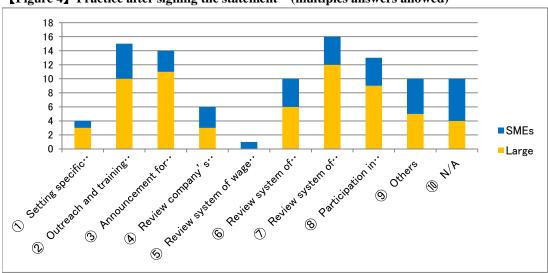
Four companies describe their financial commitment to WEPs participation as "At company's charge, but no contribution", one as "At CEO's own charge, but no contribution", three as "No charge but some contribution", and 42 as "No charge and/or no contribution".

Signing and participation are free, but the UN WEPs team promotes participants' understanding and encourages making their voluntary contribution to help support the activities and efforts of the WEPs initiative at the global level. Participants who responded that "they need charge" might consider in-house "cost" as voluntary contributions. This topic requires further research.

4 Practice after signing the statement (multiple answers allowed)

Among the total number of companies surveyed, four companies reported "Setting specific organization and persons in charge", 15 reported "Outreach and training for workers", 14 reported "Announcement for publicity", six reported "Review company's organization", one reported "Review system of wages (gender-gap)", 10 reported "Review system of vacation and/or parental leave", 16 reported "Review system of training and/or promotion for female workers", 13 reported "Participation in research meetings and/or events outside of company", and 10 reported "Others".

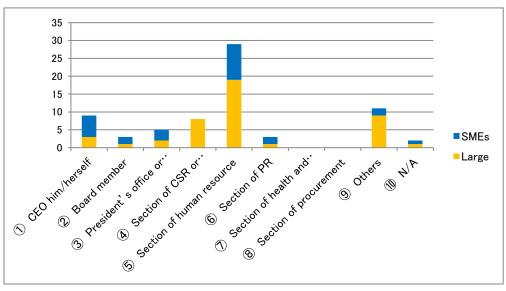
PR and educational activities both inside and outside the enterprise are popular; however, communication remains insufficient. Future activities require disclosure and information dissemination through a CSR report. In terms of internal activities, awareness about WEPs among executives and employees is still not enough. We assume that WEPs-related information is needed to be transmitted by employee training programs and company meetings. Ten companies responded "N/A" to the questionnaire; however, those respondents included a well-known company that strongly promotes WEPs in Japan and works on gender equality. It is likely that it has not changed since its WEPs agreement as they are already engaged in women's empowerment in-house; however, WEPs participation may have accelerated their efforts.



[Figure 4] Practice after signing the statement (multiples answers allowed)

5 Person in charge of WEPs (multiple answers allowed)

Among the total number of companies surveyed, nine companies chose "CEO him/herself", three chose "Board member", five chose "President's office or secretary's office", eight chose "Section of CSR or sustainability", 29 chose "Section of human resource", three chose "Section of PR", and 12 chose "Others", such as general affairs and diversity.

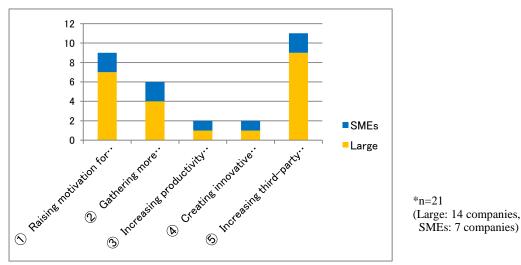


[Figure 5] Person in charge of WEPs (multiples answers allowed)

Persons in charge sometimes lead whether engage initiatives which top commitment requires, such as WEPs. This is a characteristic of Japanese companies. A significant number of responses reported that the human resource department is in charge of WEPs. No company held the "Section of health and welfare" or "Section of procurement" as responsible, and two companies reported that no department took WEPs responsibility.

6 Impact on company management (multiple answers allowed)

Among the total number of companies surveyed, nine companies reported "Raising female workers' motivation", six reported "Gathering more talented female person", two reported "Increasing productivity by female workers' management", two reported "Creating innovative production by female workers' suggestions", and 11 reported "Increasing third-party evaluations". A total of 29 companies reported "N/A". These findings suggest that they could easily achieve higher result of third-party evaluation but could not sufficiently realize how their efforts toward the WEPs initiative effect their management and performance.

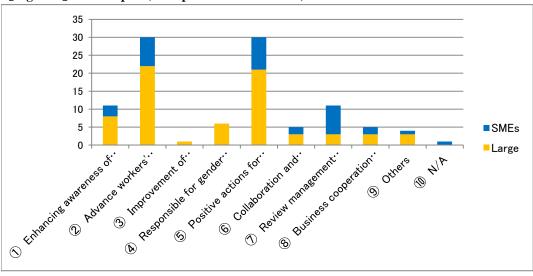


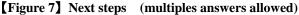


A total of 21 companies reporting some impact on management showed their involvement in specific measures after the signing the CEO statement. Comparing the responses to Question 4 with companies that answered "N/A", the proportion is for responses on "Review company's organization", "Review system of training and/or promotion for female workers", and "Participation in research meetings and/or events outside the company". We consider that reviewing the personnel management system and organization is a necessary factor for achieving the WEPs impact. Seven of the 21 companies reporting management impact were SMEs, suggesting that company size is irrelevant to WEPs positive management impact.

7 Next steps (multiple answers allowed)

Among the total number of companies surveyed, 11 companies reported "Enhancing awareness of executives", 30 reported "Advance workers' understanding", one reported "Improvement of shareholders' understanding", six reported "Responsible for gender balance of board members", 30 reported "Positive actions for increasing women's appointment and/or promotion", five reported "Collaboration and outreach among value chain", 11 reported "Review management system", five reported "Business cooperation with other WEPs participants", and four reported "Others".





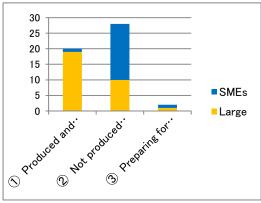
As WEPs directly affect management policy, they require improved awareness and understanding of executives as well as employees. Therefore, we expect awareness among an increasing number of companies. The one company that responded "N/A", indicated that they simply didn't think they needed to tackle a new issue, and not that no action needed to be taken. In such companies, it is possible that they could use WEPs in collaborations with stakeholders such as suppliers and in publishing an "integrated report" of financial and non-financial information. These results suggest great potential for efforts to benefit from WEPs.

8 CSR annual report

A total of 20 companies reported that the annual CSR report is "Produced and published every year" while 28 and two companies reported "Not produced and not published", and "Preparing for producing and publishing", respectively.

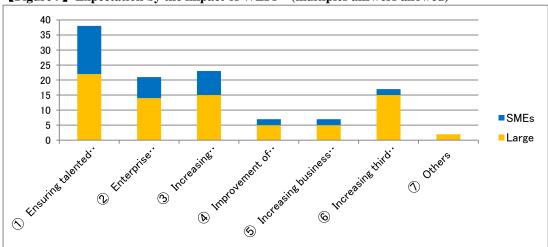
It is important to consider how a CSR annual report deals with WEPs and how a company intends to proceed with the WEPs implementation. Because human resource and diversity departments, rather than the CSR report publishing department, are most frequently responsible for WEPs, it is critical that they be especially aware of this point.





9 Expectation of WEPs impact (multiple answers allowed)

Among the total number of companies surveyed, 38 companies reported "Ensuring talented female workers", 21 companies reported "Enterprise development by female workers' ideas", 23 companies reported "Increasing productivity by female workers' management", seven companies reported "Improvement of transparency for management through reporting", seven companies reported "Increasing business opportunities with WEPs participants", 17 companies reported "Increasing third-party evaluations", and two companies reported "Others".



[Figure 9] Expectation by the impact of WEPs (multiples answers allowed)

The United Nations has been promoting this program on the basis of the concept of "Equality means business". WEPs participants suggest a similar understanding. As WEPs is still a new program and participants need time to achieve its goal: business development, PDCA cycle based on the seven Principles, and incorporating the result into their management strategies. This study suggests high expectations for corporate management policy, utilizing WEPs for business development.

Finally, we appreciate the UN WEPs team, the UN Women Japan Liaison Office, and Japanese WEPs participants for their support. We received responses from many companies even though they were in the heaviest business season and a time of personal transfer. We thank all respondents again for their cooperation.

FOOTNOTES

- ³ http://japan.unwomen.org/weps/ (in Japanese)
- ⁴ http://www.unwomen-nc.jp/?p=1295
- ⁵ http://www.ungcjn.org/ (in Japanese)

⁶ http://www.gender.go.jp/english_contents/international/un/weps_index html

⁷ http://www.unglobalcompact.org/news/304-03-06-2013, http://www.unwomen.org/2012/11/pressstatement-by-michelle-bachelet-at-nippon-press-centretokyo-japan/, http://www.weprinciples.org/files/ attachments/Inclusion-Strategy_for_Change_Report-_Annual_WEPs_2013-FINAL.pdf

⁸ http://www.gender.go.jp/english_contents/wln/pdf/proposal.pdf, http://www.doyukai.or.jp/en/policy proposals/2012/120528a html

¹ http://www.weprinciples.org/

² It was reorganized in the Global Compact Research Center (GCRC) in April 2013. http://gc-rc.org/ (in Japanese)