Japan's Diversity Problem

Women Are 41% of Work Force But Command Few Top Posts; 'A Waste,' Says Carlos Ghosn

U.S. COMPUTER GIANT Hewlett-Packard Co. knows firsthand the challenge of promoting women to management positions in Japan.

Throughout the company's global operations, women hold some 20% of managerial posts. In the U.S., that figure is over 25%. But in Japan, women occupy fewer than 4% of H-P's management jobs—so low, in fact, that "we had to do something," says Akiko Kawai, an H-P manager in charge of a new company program to promote Japanese women.

To motivate female employees, Ms. Kawai organized a support group that encourages women to discuss topics like communication skills, time management and balancing work and family life. As a mentoring effort, H-P has also paired up-and-coming women with high-ranking managers—most of whom by definition are men. One male mentor, Masaru Someya, a marketing director, says of the woman he worked with: "She was very highly skilled, but she didn't realize how good she was."

That professional women lack confidence is just one of the reasons why Japan—the world's second-largest economy and home to large, global companies like Toyota Motor Corp. and Sony Corp.—lags far behind other nations when it comes to promoting women in the workplace.

The dearth of Japanese women in managerial roles even goes well beyond the challenge of balancing work and home life—an issue that confronts female corporate ladder-climbers around the globe. In Japan, professional women face a set of socially complex issues—from overt sexism to deep-seated attitudes about the division of labor—problems that are not easily reversed.

Japanese women historically have played a subservient role in society, with advancements coming later than for their counterparts in Europe and the U.S. Women here, for instance, didn't gain voting rights until after World War II—and even then only because the law was written into a U.S.-drafted constitution. The country still prohibits women from remarrying for six months after a divorce to ensure that she is not pregnant with her ex-husband's child.

In the 1960s, many women, whose own mothers worked on the farm or at family-owned businesses, deemed it a privilege to focus on the home while their husbands worked long hours in fast-growing companies to keep the nation's economy humming. As the feminist movement in the U.S. emboldened women world-wide to fight for equality, parallel steps for Japanese women focused outside the workplace, with women largely accepting the gender separation of professional roles. Even today, many women in their thirties—prime career years—choose to bow out of office life altogether to raise children.

The result: Even as more women graduate from university and make up 41% of the work force, including part-timers, the legacy still continues. Men still tend to be hesitant to employ women as managers, assuming women can't handle the responsibility. And women themselves, not seeing many role models, are reluctant to rise to the challenge.

Please Turn to Page B9, Column 2
Why Japan Lags in Promoting Women Managers

Continued From Page B1

Thinking they're not cut out to manage.

In a speech last year to students at Japan Women's University, Carlos Ghosn, chief executive of Nissan Motor Co., told the audience that Japanese companies need to increase women's ranks to ensure future profitability and encouraged his listeners to believe in themselves. "The fact that women in Japan lack confidence makes it a very few number of women who take management responsibility," Mr. Ghosn said. "This is a waste, and we are feeling it and intend to make it better." Nissan plans to fill 5% of its management posts with women over the next few years from a current 1.6%.

Women in managerial positions concede that the burden of change is high. "Doing support-type work is somehow psychologically easier," says Motoko Honma, a 44-year-old H-P marketing specialist. Women in Japan, she believes, tend to see management work as a risk to their personal lives and are dogged by the old-fashioned notion that aggressive behavior is unattractive.

"Men tend to have a very fixed idea of what women are like," says Hitomi Mori, who is in charge of a program to boost the women's ranks at electronics maker Sharp Corp., where currently 21 of 3,412 managers are female. Meanwhile, many women "draw the line on themselves," she adds.

Japan's government—responding to mounting international criticism about the paucity of women's career opportunities—has made moves to improve the situation. In 1982, the country passed a law barring sex discrimination in the workplace. But real progress has been limited. In 1985, only 1% of division chiefs at Japanese companies of 100 employees or more were women. By 2004, that figure had crept up to just 2.7%.

The Japanese government says it wants to boost the ranks of women workers, partly to help solve demographic problems brought on by an aging population. Already, the workforce is shrinking as fewer young Japanese enter the professional pipeline. Worker ranks will diminish further starting in 2007, when the first baby boomers retire. Keeping more women on a career track, especially after they have children, could help arrest that trend.

These days, firms from banks to auto makers are rushing to launch new programs to train and retain female managers. Sharp, which wants to triple the ranks of women managers by the fiscal year ending March 2008, created a special division last year for that purpose.

Women in Japan face sexism and deeply held attitudes about the division of labor.

A few months ago, the company began a program for several dozen women with management potential, with plans to give them a three-year career development plan. The company also profiled female employees in an internal magazine—complete with quotes from male employees praising the female managers they work with. "She reacts quickly and gets the work done effectively," one manager says about a female marketing supervisor. "She's a leader who pulls the team along."

In Japan, Western companies like H-P have typically been more active in adopting policies to encourage women managers. Under a mentoring program that officially began in 2004, the company aims to raise its levels by 1% each year by promoting more Japanese women to management posts.

So far, there have been challenges, including the appearance of tokenism. When one Japanese woman was made a manager and encouraged to be a role model, she promptly quit. "She misunderstood and thought that she'd gotten there just because she was a woman," Ms. Kawai says. "This became stressful to her."

A few big firms, like tech company Sanyo Electric Co., have recently appointed women as CEOs. But these are still exceptions. And many critics believe that Sanyo's recent appointment of former journalist Tomoyo Nonaka as CEO was an attempt by the company to impress the public, since she has no management or manufacturing experience. "She's more or less a figurehead," says Mariko Fujiwara, director of the Hakuho Institute of Life & Living, a Tokyo think tank that keeps tabs on consumer sentiment and trends.

In a discussion with journalists earlier this year, Ms. Nonaka addressed such detractors: "I know that people think my role is just decorative," she said. "My mission, however, is very important."

Along her own career path, H-P's Ms. Kawai suffered from insecurities. A few years after entering the company in 1974, a boss told her that management was really a man's job. She got discouraged and decided to quit to become a teacher. She changed her mind after a chance encounter with another male manager who encouraged her to stay on.

To keep other women from becoming similarly discouraged, last year she took female employees to an international women's summit in South Korea. Female chief executives and government ministers from other countries chatted with them about their struggles to advance their careers. The Japanese women were surprised at how "regular" these powerful women seemed, Ms. Kawai says. "The women realized that rising to the top is not an impossible dream, but something they can actually do themselves."

—Erin White, Jathun Sapsford
and Miho Inada
contribution to this article.