

**Works
Report**

2016

Proposal of a Human Resources Procurement Scheme for the Tokyo 2020 Olympics

Leaving a Legacy to the World

Can Japan overcome the looming difficulty of procuring human resources?

As we approach the Tokyo 2020 Olympics, a need will arise for roughly 815,000 workers, mainly in the service and construction industries; and securing such human resources is critical to the success of the Olympic Games¹.

However, there is currently a serious shortfall in the labor force in Japan, which is facing both a declining population and a cyclical upturn in the economy. The effective ratio of job offers to applicants has reached a level not seen since the late stages of the bubble economy in the early 1990s, and the current unemployment rate falls into the category of full employment as defined by the Organization for Economic Cooperation and Development (OECD). Under these circumstances, business bankruptcies and project revisions due to labor shortage are frequently occurring².

The need for human resources for the Olympics is notable both for its *large scale and temporary* nature, in contrast to the typical need for such resources, which arises gradually over an extended period. Moreover, a host of organizations are simultaneously seeking similar human resources for the Olympics. Thus, if we approach the Olympics in the current employment situation without an effective plan, we will surely fail to secure adequate human resources.

To overcome this situation and achieve success in the 2020 Olympics, the authors here propose a new human resources procurement scheme that will improve the labor market. The scheme aims to meet the anticipated nation-level, large-scale, temporary need for Olympics-related human resources, while minimizing the impact on ordinary business activities not related to the Olympics.

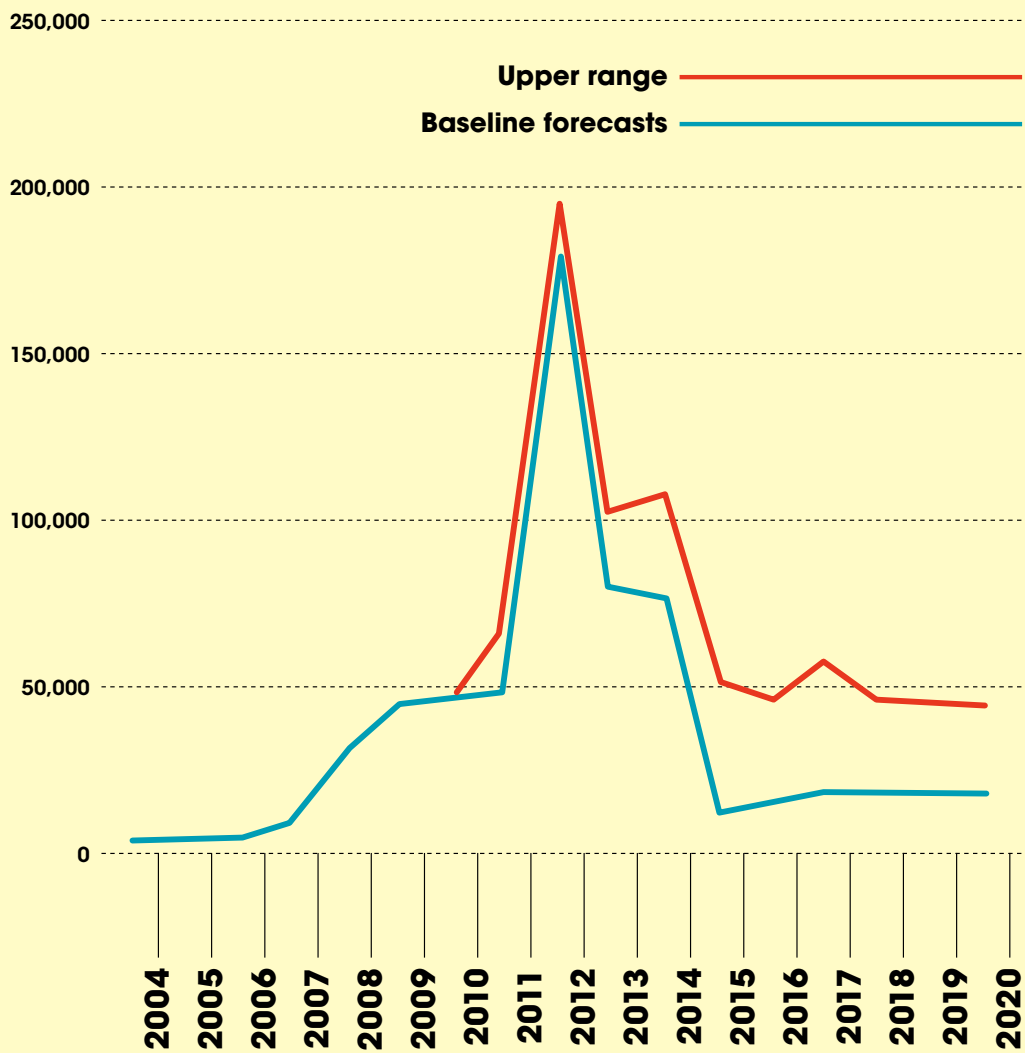
In addition to its short-term benefits, the scheme aims to ensure that when the Tokyo 2020 Olympics have been successfully completed, a significant Olympic legacy will have been created, in the form of a human resources procurement system that can cope not only with large-scale events such as the Olympics, but with disaster and other emergency situations.

1 Recruit Works Institute (2014), "Impact of the Tokyo Olympics on Employment: Structural Reforms to be Made by 2020 to Overcome the Shortage of Human Resources"

2 The effective ratio of job offers to applicants in November 2015 was 1.25, a record high since January 1992, and the unemployment rate was 3.3%. Full employment does not mean that there are no jobless people, but rather that there are no unwillingly jobless people due to demand deficiency.

A profound need for human resources is arising, which will peak in the year of the Olympics.

Need for human resources for the London Olympics



Legacy of the Tokyo 2020 Olympics

The 2016 Summer Olympics will be held in Rio de Janeiro, and the following Olympics in Tokyo.

As the Olympic movement matures, expectations are increasingly focused on creating Olympic legacies that will endure after the Olympics, in addition to achieving economic benefits during, and immediately before and after the Olympics. The term "legacy" is used to describe such long-lasting positive effects, as defined in the International Olympic Committee's (IOC) "Olympic Games: Legacies and Impacts." Various facilities and infrastructure are developed, and sports are promoted on the occasion of the Olympics; and as a result, Olympic legacies are generated, with sustainable impacts on society.

While tangible legacies tend to draw more attention, our focus should also be on less tangible but important legacies, such as providing solutions to social issues in advanced countries and cities where infrastructure and facilities have already been developed. In the case of the London 2012 Olympics, for example, for which a legacy plan was mandatory from the candidacy stage, advances were made in the redevelopment of the poorest areas in the region, and in the social inclusion of disabled persons and other minorities.

The Olympic Games are a sporting event that leaves people with enduring impressions and memories, and also provides a rare opportunity to address social issues. What legacy can Japan leave? The countdown has begun for creating such a

legacy.

- Declining population threatening Japan's future

A declining population and super-aging society are the foremost issues threatening Japan's sustainability, and many of the social challenges related to employment and labor stem from these issues. One of the challenges is a serious labor shortage. Various efforts are being made to overcome the labor shortage, such as securing workers from overseas and improving productivity with technology. Nevertheless, major problems remain.

As the Japanese labor market has matured and is beginning to shrink, the flexibility of human resources procurement that once existed during the expansion stage of the labor market is now diminishing, and it is currently extremely difficult to secure a large quantity of human resources on a timely basis.

Many workers will be temporarily needed for the Tokyo Olympics. As discussed in the "Impact of the Tokyo Olympics on Employment", as many as 815,000 workers will be required, including indirect demand, and securing such human resources is critical to the success of the Olympics. With labor shortages being manifest, then, Japan must prepare strategic measures to meet this temporary need for

human resources.

- Nation-level human resources procurement

A nation-level, large-scale, temporary attempt to procure human resources, such as that required for the Olympics, is fundamentally different from the typical procurement of human resources conducted by individual companies, which involves competition between companies and ultimately depends on salary and other factors that attract job seekers. Moreover, blindly pursuing nation-level, large-scale procurement of human resources can affect the operation of existing businesses, as workers may quit their current job to take up newly offered employment. In addition, because of its temporary nature, this type of employment may depart from established norms, and the safety of workers may be neglected. For all the obvious differences between the two situations, the Olympics work-related issues are expected to be similar to those observed in the reconstruction projects implemented after the Great East Japan Earthquake.

Because of the temporary nature of the Olympics, related human resources tend to be procured on an ad hoc basis, and little knowledge has thus far been accrued in this area worldwide. Meanwhile, according to the Boston Consulting Group's report, "The Global Workforce Crisis: \$10 Trillion at Risk", 15 of the 25 major economies analyzed, including countries in Europe and North America, will face labor shortages by 2030; and in any country experiencing such shortages, an effective method must be developed for conducting large-scale, temporary procurement of human resources for the Olympics.

- The proposed human resources procurement scheme as Olympic legacy

To prepare for the Tokyo 2020 Olympics, the Recruit Works Institute proposes a human resources procurement scheme which aims to meet the large-scale, temporary need for human resources for the Olympics, and to leave the scheme's mechanism as

an enduring legacy.

The human resources procurement scheme will produce a breakthrough in the labor shortage situation, which is the greatest single obstacle to achieving success in the Olympics; and labor shortage is a social issue that not only Japan but numerous other developed countries must eventually face.

The Tokyo Organising Committee of the Olympic and Paralympic Games (TOCOG) has launched the development of an Action and Legacy Plan, to create an Olympic legacy for the Tokyo Olympics. The plan establishes five pillars: (1) sports and health, (2) revitalization of towns and sustainability, (3) culture and education, (4) economy and technology, and (5) reconstruction, nation-wide commitment, and conveying positive messages to the world. The human resources procurement scheme here proposed pertains to the fifth pillar: reconstruction, nation-wide commitment, and conveying positive messages to the world.

The scheme aims to achieve success in the Tokyo Olympics through nationwide commitment in Japan, where the population is declining; but it can also be implemented in overseas countries. As discussed below, as it is designed to meet a large-scale, temporary need for human resources, the scheme can be employed not only for major events such as the Olympic Games, but also for restoration from disasters such as the Great East Japan Earthquake.

Establishing a nation-level, flexible scheme for procuring human resources is an Olympic legacy that Japan can uniquely create, as a nation at the forefront of dealing with declining population, and a nation promoting the "dynamic engagement of all citizens."

This proposal is based on the Recruit Works Institute's 2014 report, "Impact of the Tokyo Olympics on Employment: Structural Reforms to be Made by 2020 to Overcome the Shortage of Human Resources," and on interview surveys conducted twice in 2015 on officials involved in the London 2012 Olympics. We would like to convey our sincere thanks to all of the many organizations and persons who have supported our study.

Two types of need for human resources for the Olympics

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The large-scale, temporary need for Olympics-related human resources is of two types. The first is the need for human resources managed directly by the Tokyo Organising Committee of the Olympic and Paralympic Games (TOCOG), which administers the Olympics in Japan. Such human resources include the TOCOG staff and volunteers. The second is the need for human resources that arises mainly in private companies due to the economic ripple effect of the Olympics. Each is discussed below.

- Need for human resources under the administration of TOCOG

In the London Olympics, the Organising Committee for the London 2012 Olympic Games (LOCOG) administered the procurement of human resources for the LOCOG staff, volunteers, and the Olympic Delivery Authority (ODA), which was responsible for stadium and other construction work. The number of people required for each category was 9,000, 100,000, and 70,000, respectively.

Diversity and inclusion were vigorously sought in London's human resources procurement. LOCOG established and achieved a numerical target for each main minority group; and in the case of the construction work, an employment target was set and achieved for each local area, so that employing

foreigners and citizens from outside London would not cause Londoners to lose job opportunities. In recruiting the so-called Game Makers, the volunteers directly administered by LOCOG, arrangements were made to enable disabled persons to participate in the volunteer work.

LOCOG officials unanimously asserted that achieving diversity and inclusion in the human resources procurement was one of the legacies created.

As an Olympic administrator, TOCOG plays a similar flagship role in human resources procurement and deployment, and is firmly expected to far exceed the goal of simply meeting the target demand for workers.

- Need for human resources as a ripple effect of the Olympics

The second type of need for human resources is new employment generated mainly in companies. Above, we noted the estimation of 815,000 workers being needed for the Tokyo Olympics, over the period of 2013 to 2020.

The need for human resources is particularly large in the construction and service industries, and the human resource requirements for construction, including stadium construction, will peak before the Olympic Games; whereas, the requirements for the service industry, which supplies business-to-

Human resources procurement for the London Olympics under the administration of LOCOG



| LOCOG's personnel composition | Target | Result |
|-------------------------------|--------|--------|
| Disabled persons | 3~6% | 9% |
| Ethnic minorities | 18~29% | 40% |
| LGBT | 5~7% | 5% |
| Females | 46~54% | 46% |
| 30 years old or under | 20~30% | 36% |
| 50 years old or under | 10% | 15% |

| Human resources procurement by ODA | Target | Result |
|--------------------------------------|--------|--------|
| 6 venue areas | 10% | 17% |
| Other areas in London | 45% | 50% |
| Outside London ^(overseas) | 45% | 33% |

* ODA is the public organization that administered the construction of stadiums and other infrastructure for the London Olympics.

customer (BtoC) services to visitors, will peak in the year of the Olympics.

Both the construction and service industries have been facing labor shortages since before Japan's decision to bid for the Olympics, but the two industries have different employment structures. In the construction industry, skilled workers are required, and such workers are often difficult to recruit. In the service industry, on the other hand, similar jobs are consistently abundant in the market, and job separation rates are high. However, the human resources procurement systems are not well developed in the construction industry, which has been in decline for many years, since the collapse of the bubble economy.

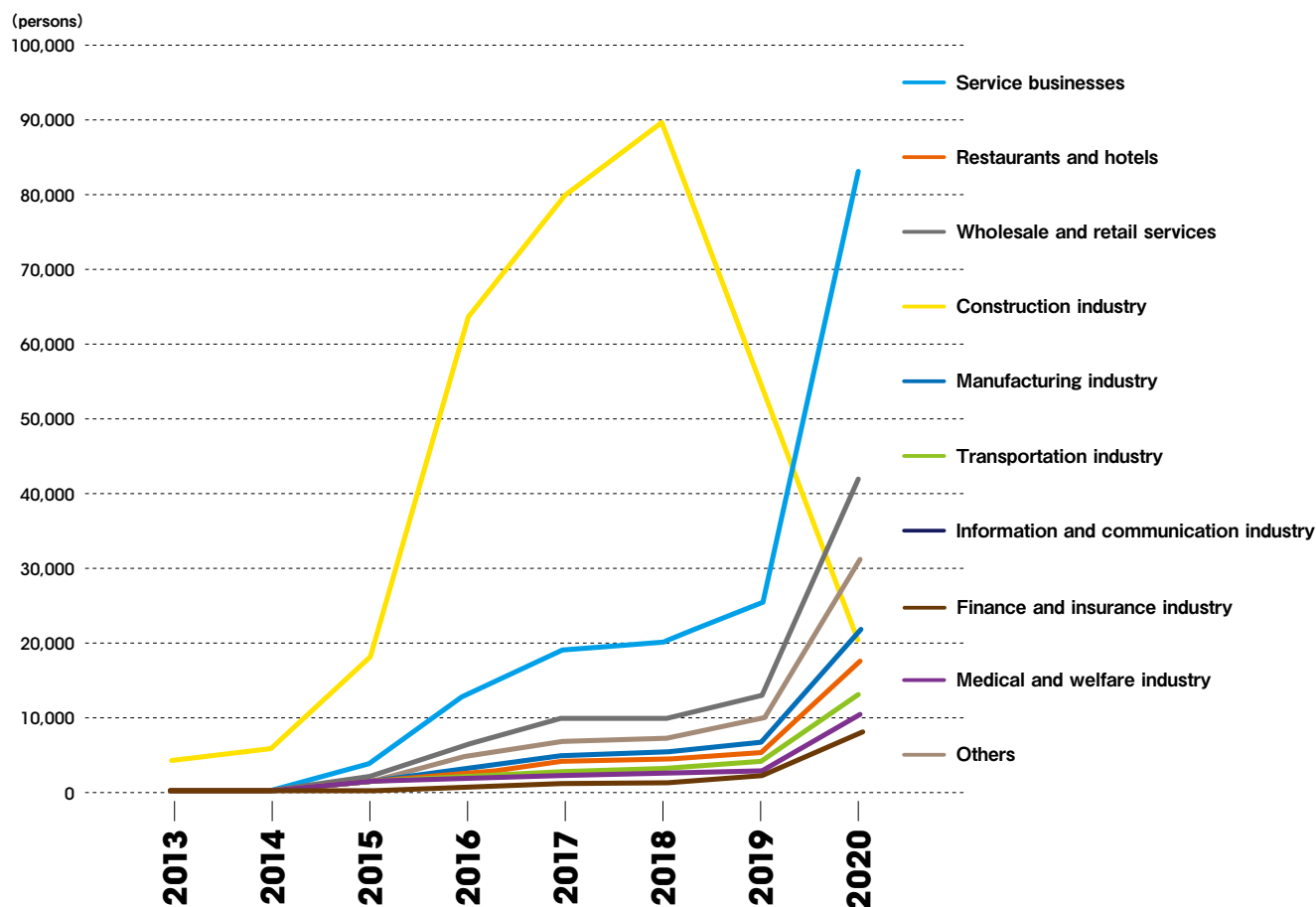
Thus, as we approach the Olympics, drastic

measures are required in the construction industry, and flexible approaches are required in the service industry (refer to "Impact of the Tokyo Olympics on Employment").

Estimated need for human resources for the Tokyo Olympics

| | No. of additional workers required | Current no. of workers | Ratio of additional workers (%) |
|-----------------------------------------------|------------------------------------|------------------------|---------------------------------|
| Service industry (total) | 289,160 | 23,240,000 | 1.2% |
| Service businesses | 167,530 | 9,060,000 | 1.8% |
| Restaurants and hotels | 36,190 | 3,760,000 | 1.0% |
| Wholesale and retail services | 85,440 | 10,420,000 | 0.8% |
| Construction industry | 335,300 | 5,030,000 | 6.7% |
| Manufacturing industry | 44,130 | 10,320,000 | 0.4% |
| Transportation industry | 26,780 | 3,400,000 | 0.8% |
| Information and communication industry | 20,240 | 1,880,000 | 1.1% |
| Finance and insurance industry | 16,580 | 1,630,000 | 1.0% |
| Medical and welfare industry | 20,430 | 7,060,000 | 0.3% |
| Others | 62,640 | 9,520,000 | 0.7% |
| Total | 815,250 | 62,700,000 | 1.3% |

Table: Simulated need for human resources in different industries (unit: workers)



Source: "Impact of the Tokyo Olympics on Employment", Recruit Works Institute

Looks small, but a large impact on employment

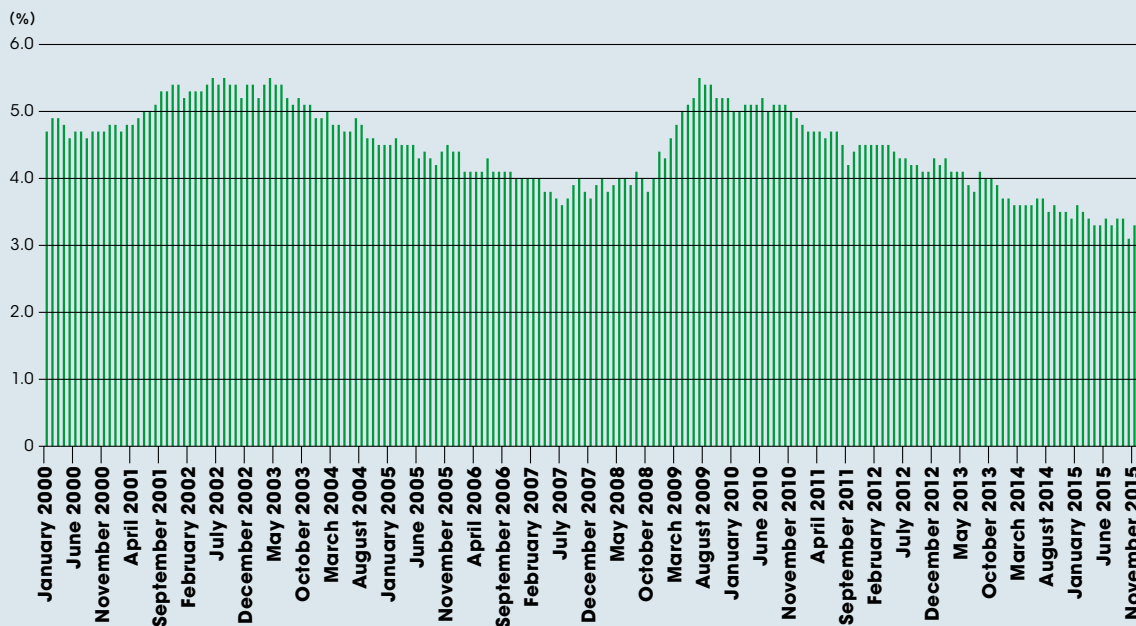
Is the need for 815,000 workers large or small? As it is only 1.3% of the over 60 million people currently employed in Japan, this percentage may look small.

In reality, however, a difference of 1% in employment has a vast impact. With the onset of the global financial crisis in 2008, the employment situation deteriorated quickly and significant employment issues emerged, such as the dismissal of non-regular employees. The rate of unemployment increased from 3.8% in October 2008 to 5.5% in July 2009, and this 1.7 point increase in 9 months had a serious impact on social stability.

The employment situation later improved with the onset of Abenomics, and the rate of unemployment decreased to 3.1% in October 2015; however, this 2.4 point drop over the seven-year period from 2008, resulted in an increasing number of companies suffering labor shortages, and even some companies going bankrupt due to such shortages.

1% change in employment over a short period should therefore have a substantial societal impact.

Change in the unemployment rate



Source: "Labor Force Survey", Ministry of Internal Affairs and Communications

Issues in human resources procurement for the Olympics

Hosting the Olympic Games creates a large-scale, temporary need for human resources. Key issues to be addressed in human resources procurement are discussed below, mainly based on the surveys conducted in London.

Issue 1: Difficult to secure human resources

The foremost concern is that it may not be possible to procure the human resources necessary for the Olympics. Shortly before the London Olympics, it was found that sufficient security personnel could not be procured. As a result, 3,500 military personnel were mobilized two weeks before the opening of the Olympics, and this action was criticized in parliament. The initial plan was to procure security personnel solely through the security company G4S, but the plan failed as the number of required personnel increased fivefold due to a need for heightened security against the risk of terrorism. In addition, though G4S expected to hire students as part-time workers, the company failed to procure enough students for security work, as it was less attractive to them than other Olympics-related

employment, while various other companies were also trying to secure human resources for the Olympics.

In contrast, the Organising Committee for the London 2012 Olympic Games (LOCOG) moved into action 15 months before the opening of the Olympics to procure 5,000 staff on a 6-month contract basis. LOCOG's human resources procurement was commissioned to the human resource consulting company Adecco, which set up a website in April 2011, began a large-scale campaign in May, and achieved full procurement of the planned workers by March 2012. In addition, over the long lead time between the informal appointments and the opening of the Olympics in July 2012, additional procurement was conducted to compensate for decliners. Officials noted that attention was required in order to eliminate discrimination and achieve the targets of diversity and inclusion.

In fact, the procurement of security staff was initiated one and a half years before the opening of the Olympics. Nevertheless, G4S failed in the procurement. One reason for the failure was the aforementioned substantial increase, over this time, in the number of workers required; but another was the lack of knowledge regarding human resources procurement, which included insufficient

follow-up communication after the informal appointments, and a lack of foresight in estimating how many of the informally appointed workers would actually work during the Olympic period.

Compared to ordinary human resources procurement, large-scale procurement requires a long-term commitment, and it is likely that human resource procurement knowledge and management skills are crucial to achieving success in such procurement.

Issue 2: Lack of experienced workers and need for training

The next issue is the lack of experienced workers and the need for training. As the extent of training is roughly proportional to the extent of the need for human resources, it is necessary to develop a method for conducting large-scale training efficiently for the Olympics.

All things considered, the likelihood of employing inexperienced workers will tend to increase in areas where human resources are difficult to procure. While enhanced education and training are expected in the

service and construction industries, these industries include many small- and medium-scale companies that are not sufficiently skilled in cultivating human resources. Training programs developed specifically for the Olympics will also be required. Thus, it is desirable to expand cross-industrial training, public occupational training, and job assistance programs.

LOCOG began leader training and role-specific training in April 2012, and on-site training in June. They found that hands-on training was indispensable in addition to preliminary study.

The London Underground, which recorded a record number of passengers during the Olympic period, did not recruit motormen and other personnel for whom significant training time would be required; and externally procured human resources for its service-related jobs. They procured 450 contract employees and 2,000 volunteers for the Olympics. While three-week training was given to the contract employees, the training given to the volunteers was successfully reduced to a three-day on-line training program. According to officials from the London Underground, the development of these efficient training programs was an

Human resources procurement by the London Underground

| | | |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Highly skilled human resources (Motormen, etc.) | No recruiting was conducted. Adjustments were made by increasing the working hours of existing employees, arranging shifts, and raising retirement ages. Preliminary discussions were held with the labor union. | |
| Customer service assistants | Deployed at stations to guide passengers. 450 one-year contract workers were recruited (all of them remained employed after the Olympics). Three-week training was conducted. | |
| Incidental customer service assistants | Provided tourist information using iPads. 800 | It was initially thought that three-week training was necessary; however, the programs were eventually reduced to a three-day on-line training program. |
| Travel ambassadors | Aided passengers in finding lost property and buying tickets. 1,200 | |

Olympic legacy that they created unexpectedly.

Issue 3: Difficult to anticipate all possibilities

It is impossible to anticipate all the incidents that may occur before or during the Olympics. What is important is to develop plans with the understanding that unexpected circumstances can and do occur, no matter how well-constructed the plans may be.

What was most unexpected in the human resources procurement for the London Olympics was the failure to procure security workers, as described above. The shortage of security workers was compensated for by mobilizing military personnel and 3,200 reserve personnel registered with Adecco, which was in charge of human resources procurement for LOCOG.

The Games Makers, who were volunteers for the London Olympics, were highly motivated, and most completed their assignments without dropping out during the Olympic period, officials said. In contrast, in ordinary events some volunteers will typically quit their job after arriving at the work site and finding the work unsatisfying.

In procuring human resources for the Olympics, then, it is necessary to prepare backup measures to cope with unplanned shortages and other unexpected circumstances; and it is necessary to have the flexibility to cope with irregularity.

Issue 4: Jobs will eventually disappear.

The Olympics provide many employment opportunities, and it is highly desirable to provide job opportunities to those seeking jobs. However, we must face the fact that many Olympics-related jobs are temporary and will likely disappear after the Olympic

period. The Oxford Economics 2013 report on the impact of the London Olympics on employment confirmed that the need for human resources shrank rapidly after the Olympic period, and the same is expected in the case of the Tokyo Olympics.

The present study's surveys in London revealed two important facts regarding continued employment. First, though the Olympics creates new jobs, it is unrealistic to assume that people will stay on the same job after the Olympic period. For example, London officials noted that, among a host of similar public programs provided in London, the Employment and Skills Legacy program supported inexperienced people in obtaining construction jobs; however, after completing their Olympics-related assignments, a substantial number of the program graduates moved on to other construction sites in order to continue working.

Second, though an increase in the unemployment rate after the Olympics was expected, no serious effect on employment has been observed in London, reflecting the current favorable economic environment in which new job opportunities are being created; for example, all of the 450 customer service assistants employed for the Olympics by the London Underground on a one-year contract basis continued to be employed after the Olympic period. Many of the 5,000 LOCOG staff found alternative jobs on their own, and 1,000 found alternative jobs through Adecco's outplacement services. Employment of workers in the construction industry was sustained by the need for redevelopment work, which was greater than the need generated by the Olympics.

However, these facts alone should not give us cause for optimism in the current context. The London Olympics were held during the period of recovery from the global financial crisis, and the continued employment reflects little more than the fact that the London area, and the country at large, was recovering from the severe economic stagnation and shrinkage, and the substantial losses in employment, caused by the crisis.

If the Japanese employment situation is favorable in 2020, there will be a reasonable chance that Olympics-related workers will find follow-up employment opportunities. However, the probability of this scenario is not very high. Moreover, it is difficult to imagine a situation comparable to the last financial crisis, obtaining at this time.

Thus, it is more reasonable to assume that the employment opportunities created by the Tokyo Olympics will not continue after the Olympics.

Issue 5: Ensuring the safety of workers

Tremendous efforts are required to procure and manage the human resources needed to satisfy large-scale, temporary employment requirements; and as a result, less attention may be paid to various important aspects of the employment itself. As the Olympic employment context is highly abnormal, normal work conventions and practices may not be applied, increasing the risk of encountering situations not anticipated by conventional employment regulations.

In the context of the Olympics, or other large-scale sporting events, neglect of basic human rights has been drawing increasing global attention in recent years. For example, lives have often been lost during the construction of facilities for large-scale sporting events; and it is said that, prior to the London Olympics, lives had always been lost at Olympic construction sites, throughout the history of the Olympics. In the London Olympics, however, high safety standards were established and managed, and for the first time no lives were lost. The officials of the London Olympics were unanimous in highlighting this as a significant achievement of that Olympics. Meanwhile, in November 2015, four international organizations, including the International Labour Organization (ILO), issued a joint statement on the respect for human rights in large-scale

sporting events.

Sweatshops and other harsh workplaces, where safety standards and safety- and health-related laws are not observed, are currently an issue in Japan; and preventive measures must be taken, such that the temporary need for Olympics-related labor will not lead to the creation of sweatshops.

The massive scale and temporary nature of the Olympics means that the conventional human-rights employment framework may be ineffective. In the case of the Great East Japan Earthquake, for example, an event similar to the Olympics in scale and nature, many argued that companies hiring disaster victims should be exempted from the ordinary obligation to enroll such workers in the social assurance and employment insurance systems, according to Moriya (2011)³. In such contexts, then, it is necessary to develop a framework, including special legal measures, for protecting workers.

3 M.Moriya,2011 "Koyou to Sangyou no Soushutsu wo"SEKAI NO.820(in Japanese)

Human resources procurement scheme for the Olympics

Characteristics of the need for human resources

Issues in human resources procurement

Large scale

Difficult to secure human resources

Lack of experienced workers and need for training

Difficult to anticipate all possibilities

Most jobs will not last

Temporary

Difficult to ensure the safety of workers

There are five key issues to be addressed in procuring human resources for the Olympics, given the large-scale, temporary nature of the procurement. To address these issues and stage the Olympics successfully, we propose the human resources procurement scheme described below.

Human resources procurement scheme

Relevance

| | Organizing Committee | Public infrastructure (security, traffic) | Other services (tourism, restaurants) | Construction |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------|---------------------------------------|--------------|
| <p>Initiative 1 Adopt a trisector approach (private, public, and civil society sectors)</p> | ● | ● | ● | |
| <p>Initiative 2 Turn the mismatch to advantage</p> | ● | ● | ● | ● |
| <p>Initiative 3 Establish an open training system</p> | ● | ● | ● | ● |
| <p>Initiative 4 Management by experts</p> | ● | ● | | |
| <p>Initiative 5 Develop and disseminate work rules</p> | ● | ● | ● | ● |

Adopt a trisector approach (public, private, and civil society sectors)

The core initiative in the nation-level scheme for human resources procurement is to adopt a trisector approach involving the public, private, and civil society sectors, with the involvement of citizens, such as volunteers and NPOs, in addition to public organizations and private companies.

The concept of trisector portfolio was applied to LOCOG and security assignments. LOCOG was organized with specialists from many organizations both public and private sectors at its very first stage. The portfolio had been changed when they started recruiting 5000 temporary staff and 70000 “Games Makers”. LOCOG was consisted of core temporary transferred staff from both public and private sector, temporary staff and volunteers.

For example, security assignments were allocated as follows: volunteers were responsible for preparing tickets and coordinating visitor line-ups at the entrance gates of Olympic venues; stewards were responsible for preventing people from entering exclusion zones; security personnel were responsible for guard duty, including monitoring security cameras; and the police were responsible for responding to incidents and taking action such as the arrest of troublemakers.

In the case of the Tokyo Olympics, this is potentially relevant to public components such as TOCOG, security, and transport.

One important issue to be discussed, regarding the trisector portfolio of the public, private, and civil society sectors, is the role to be played by each sector. Jobs requiring high skills, or involving risks and compensation in the event of emergency, are not suitable for volunteers. Although meeting the need for human resources with volunteers may limit the opportunities for employment, many are willing to participate in volunteer work rather than paid work, especially for such events. Careful consideration is needed in deciding which jobs are best left to volunteers, and which are best assigned to paid workers.

There are various kind of measures to involve volunteers. It may be effective to seek volunteers dispatched from companies, in addition to private volunteers. Diversity and inclusion is also a key to success. The participation of disabled persons in volunteer work was also promoted in the London Olympics; and a mechanism was developed to assist the disabled, so that those who were usually supported, were themselves able to act as supporters.

Towards Tokyo Olympic, Trisector portfolio will enable flexible recruitment, diversity and inclusion of workforces.

Portfolio of human resources for the London Olympics

| | LOCOG | Security |
|----------------|---------------------------------------|---------------------|
| Public sector | Temporary transfer | Police |
| Private sector | Temporary transfer Temporary staff | Security Steward |
| Citizens | Volunteers “Games Makers” | Volunteers |

Turn the mismatch to advantage

The second key initiative is to "turn the mismatch to advantage." This means seeking to procure human resources preferentially from low-demand areas, where procurement is easier, rather than from high-demand areas.

Human resources procurement for the Tokyo Olympics depends on the current employment situation. As of 2015, the unemployment rate has dropped to between 3% and 3.5%, which falls into the category of full employment as defined by the OECD. There is almost no unemployment, due to demand deficiency. The unemployment rate is partially dependent on structural and frictional factors, such as workers' place of residence and the job-skills required; and if human resources are vigorously sought in areas already experiencing significant labor shortages, without considering the labor supply-demand balance, labor relocation may be intensified and existing businesses may suffer.

To turn the mismatch to advantage, we propose promoting the participation of students, homemakers, elders, and others who are not currently employed but may potentially be interested in taking paid or volunteer Olympic jobs⁴; and consideration should also be given to temporarily seeking human resources in areas where the labor supply tends to be abundant.

It is strongly recommended that a system be developed which enables students to take Olympic jobs during the summer vacation, since, beyond the potential benefits to the procurement situation, the Olympics offer a valuable opportunity for students to experience and participate in an international mega event.

Initiative2

⁴ The "Olympic jobs" mentioned here include both paid and volunteer jobs newly created by the Olympics.

Establish an open training system

It is increasingly important to invest in education in Japan, where the population is in decline and human resources are becoming ever more valuable. Given the nation's limited fiscal resources, and the competition for labor among companies, there is an urgent need to develop an effective educational environment. With an eye toward the Olympics, then, we propose disseminating on-line training and developing an open training system that involves cross-industrial training programs.

The existing forms of publicly provided training focus mostly on classroom lectures or hands-on skills training, which require classrooms or training stations where teachers train and prepare their students. As this form of training requires a location and staff, it is difficult to provide training opportunities to many people. To improve this situation, it is necessary to develop a training environment in which students can participate in training sessions anytime and anywhere, rather than relying on the current closed training environment that requires a classroom or training station where teachers provide hands-on training. Development of on-line training programs using e-Learning technologies is therefore desired. The London Olympics set a precedent for significantly improving training efficiency, by streamlining programs and using on-line training.

Company-based training typically involves closed, intra-company systems; and companies with limited resources often find it difficult to develop and conduct training programs on their own. Further, there are many small companies in the restaurant and tourism industry, and in the construction industry, and such companies tend to have limited knowledge in this respect. Thus, it would be highly beneficial, not merely for the Olympics but for the post-Olympic period as well, to create an efficient training environment by developing common programs for each industry, and providing these in the form of on-line training programs.

These measures should also be effective in reducing the training time required. In large-scale procurement, it typically takes a long time to select, informally appoint, train, and then formally employ the workers; and there is a corresponding risk of losing appointed workers in the intermediate stages before formal employment. By introducing a mandatory on-line training program, it is possible to select workers only from those who have completed the program; and by altering the conventional sequence of "selection, informal appointment, and training" to "training, selection, and informal appointment," it is possible to reduce the informal employment period, and the corresponding risk. To minimize the number of appointed workers who decline the job offer, it is desirable to reduce the informal employment period as much as possible. And finally, in addition to reducing the informal employment period, it is also possible to minimize the effect of geographical limitations by introducing on-line training.

Expert management

Management by experts is indispensable for successfully procuring a large quantity of human resources in a short period of time.

Human resources procurement for the Olympics is large-scale and time-sensitive, and involves a long preparation period. Moreover, a trisector portfolio should be prepared, and preventive and responsive measures should be put in place to prepare for unexpected situations such as a failure to procure human resources. Among the causes of the failure to procure adequate numbers of security workers for the London Olympics, was the poor relationship between G4S and LOCOG. The problem did not surface until immediately before the opening of the Olympics, and countermeasures came too late. To achieve success in human resources procurement, we must view procurement as a complicated and challenging activity rather than a cumbersome process. At the Art of Major Events conference⁵, which was attended by participants related to the London, Rio de Janeiro, and Tokyo Olympics, it was stressed that cooperation between stakeholders is crucial to achieving success in the Olympics, which involves a variety of stakeholders.

In human resources procurement for the Olympics, therefore, efficient and long-term task management, and constructive coordination between stakeholders, are indispensable. To this end, it is important, beginning with the planning stage, to involve experts who are versed in human resources procurement and can design specific plans. If an organization cannot find appropriate experts within itself, it can hire external experts or work with external experts in the form of a partnership. The quality of management is particularly important in areas such as TOCOG, transport, and security, which directly affect the administration of the Olympics.

The management work includes discussions and decisions on supporting procured workers in finding another job after the Olympic employment period has ended. As aforementioned, most of the jobs generated in association with the Olympics will typically disappear not long after; it is unrealistic to expect that these jobs will continue to exist. Thus, it is important to procure workers who are cautioned against unrealistic expectations of post-Olympic employment⁶; and given the difficulty of sustaining such employment, and the importance of the Olympic procurement, it may be a reasonable to allocate funds for achieving continued employment, as part of an overall job assistance initiative.⁷

Initiative4

⁵ Held in January 2015 at King's College London by Deloitte and the British Council.

⁶ While some people approach fixed-term employment in a proactive manner, some are seriously frustrated by the termination of their employment contract, due to their expectations of continued employment, which may have been implied.

⁷ In the London Olympics, the Team London website was established as an employment base for volunteers after the Olympics. In addition to the intention of promoting volunteer work, there was concern that volunteers might lose satisfying work after participating in the spectacular event.

Develop and disseminate work regulations

As aforementioned, because of the temporary nature of the Olympics, the workers involved may be exposed to uncustomary risks, and/or the progress of work may be hindered by conventional regulations. It is therefore important to develop and disseminate work regulations that include special provisions for the Olympics.

One potential situation is noncompliance, such as arrears of wages or violations of the Industrial Safety and Health Act, often found in sweatshops and other harsh workplaces. For the coming Olympics, it is necessary to enhance administrative control to prevent such noncompliance. Although the managers of sweatshops are ultimately responsible, it is highly important to inform workers of the minimum standards for working conditions regulations, so that the workers will not be exposed to danger or exploitation. Given the increasing transience and instability in Japan's employment structure, the importance of informing workers about their work profile is gradually becoming recognized, but is still not sufficiently acknowledged. Development of an effective method for communicating such information, such as giving a brief explanation during on-line training, is desired.

Another possible issue is that the existing regulations do not properly cover a temporary event such as the Olympics. Thus, for example, the government plans to establish a temporary lodging system during the Olympics, and is considering loosening the respective regulations to facilitate this. And again, when a temporary, large-scale need for human resources arises, such as for the Olympics, it may be worth considering the employment of workers dispatched by temp services, though this is prohibited in principle.

A safe and comfortable work environment is achieved by meeting three requirements: developing sensible work regulations, obliging employers observe the regulations, and informing workers about how to protect themselves. In addition to the development and observance of work regulations, the development of effective methods for disseminating such regulations to workers is desired.

Leadership and partnership for implementing initiatives

Leadership and partnership are indispensable for implementing the five initiatives for human resources procurement for the Olympics.

Effective large-scale procurement of human resources should not be limited to the internal activity of individual companies, but rather based on cooperation between multiple organizations. Cooperation across the public and private sectors is also expected. Given the participation of a variety of organizations in staging the Olympics, and the lack of individuals experienced in this endeavor, one mistake can throw cooperation into disorder. Thus, it should be remembered that creating good partnerships is key to achieving the smooth procurement of human resources in such a context.

Furthermore, specific frameworks should be discussed for each Olympic sector, such as TOCOG, security, transport, tourism, and construction. Industry associations and other key organizations are expected to play the role of coordinator. Leadership is highly important for raising the quality of partnership among various stakeholders.

The human resources procurement initiatives can be successfully implemented only through strong leadership and good partnerships in each Olympic sector.

The image problem faced by the construction industry

The construction industry, which has been facing labor shortages since before Japan's decision to bid for the Olympics, is making various efforts, involving both the public and private sectors, to procure human resources. Among its initiatives, raising unit labor costs for public works, joining an existing social insurance system, and actively involving female workers, are being promoted by the construction industry. As there are many small businesses in the industry, human resources cultivation on a cross-industrial basis is also being discussed. To secure human resources, it is particularly important to offer improved working conditions and environment, and outline attractive career paths.

However, these efforts are not enough for the construction industry to effectively secure human resources. It is likely that an unfavorable image of the construction

| | Recruitment competition has become fierce, as other companies in the same trade are offering improved conditions such as higher wages. | It is difficult to attract applicants because of the unfavorable image of the industry. | It is difficult to attract applicants because popular companies and other companies in the same trade are increasing recruitment. | The job separation rate of full-time employees in the company has increased. | The job separation rate of part-time workers (including contract employees) in the company has increased. | The working hours of full-time employees in the company have increased. | The working hours of part-time workers (including contract employees) in the company have increased. | It is becoming increasingly difficult to procure human resources through temporary staffing companies. | The company has reconsidered its business plans, or plans to open new stores. | Industry associations and the like are promoting consolidation of duplicate businesses and standardization of specifications. | No applicable entry |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Construction industry | 20.9% | 32.6% | 23.3% | 14.0% | 7.0% | 25.6% | 7.0% | 14.0% | 4.7% | - | 16.3% |
| Manufacturing industry | 18.0% | 10.7% | 21.0% | 14.6% | 8.6% | 28.3% | 12.4% | 14.6% | 12.0% | 3.9% | 22.7% |
| Wholesale services | 28.7% | 13.8% | 19.1% | 14.9% | 12.8% | 25.5% | 11.7% | 10.6% | 9.6% | 3.2% | 24.5% |
| Retail services | 27.5% | 23.9% | 20.2% | 13.8% | 24.8% | 26.6% | 11.9% | 14.7% | 8.3% | 5.5% | 18.3% |
| Finance industry | 29.5% | 11.4% | 29.5% | 20.5% | 4.5% | 34.1% | 11.4% | 25.0% | 13.6% | 2.3% | 20.5% |
| Information and communications industry | 21.1% | 7.9% | 23.7% | 7.9% | 7.9% | 34.2% | 5.3% | 15.8% | 5.3% | 10.5% | 21.1% |
| Restaurant and tourism industry | 36.8% | 28.9% | 18.4% | 23.7% | 31.6% | 26.3% | 15.8% | 7.9% | 2.6% | 2.6% | 10.5% |
| Medical and welfare industry | 29.0% | 23.4% | 14.5% | 19.4% | 13.7% | 15.3% | 8.9% | 7.3% | 13.7% | 0.8% | 24.2% |
| Transportation Industry | 24.6% | 27.7% | 20.0% | 15.4% | 18.5% | 23.1% | 18.5% | 16.9% | 6.2% | 4.6% | 13.8% |
| Other services | 28.8% | 17.5% | 20.8% | 16.5% | 17.9% | 20.8% | 11.3% | 9.0% | 9.9% | 2.8% | 26.4% |
| Total | 25.6% | 18.1% | 20.3% | 15.9% | 14.6% | 24.6% | 11.6% | 12.5% | 9.9% | 3.4% | 21.9% |

industry is a major cause of the chronic labor shortage in the industry. Thus, it is necessary to improve the conditions of individual workers in the industry, and to discuss how to improve the industry's public image.

The Considerate Constructors Scheme (CCS) was established in 1997 by the construction industry in the UK to improve the image of the construction industry. Due to frequent complaints about noise, dust, and landscape deterioration at construction sites in the UK, the construction industry established this organisation to improve the situation. CCS monitors registered construction sites, companies and suppliers against the Scheme's Code of Considerate Practice. The Code outlines the Scheme's expectations and describes those areas that are considered fundamental for registration with the Scheme. The Code is in five parts: Care about Appearance; Respect the Community; Protect the Environment; Secure Everyone's Safety; Value their Workforce.

The cumulative number of CCS registered sites reached 90,000 in 2016. Each registered site displays CCS posters around the construction site, promoting registration with the Scheme. Registered companies also display a vehicle sticker or magnet, showing their unique registration number, on every company and supplier vehicle used on the public highway.



One CCS poster reads, "Improving the image of construction." The photo above was taken near the British Museum. Not only are many site fences smart but aesthetic considerations are evident at construction sites throughout London; for example, the depiction of a female artist on a vividly coloured fence at an Underground construction site, and scenes of nature on the fence at a former Olympic village site.



And in Japan? Typically, only a white banner with the name of the respective construction company is seen on construction sites. In rare cases, pictures are posted, but their content is typically vague and unmeaningful. How about creatively exploiting the fences at construction sites, to improve the image of the construction industry? Various approaches are possible, such as advertising the active engagement of female workers in construction, and using infographics to show the efforts being made in the industry.

The unfavourable image of the construction industry is the most recalcitrant challenge facing the procurement of human resources for construction. Given the ubiquity of construction sites, it may be worth considering using these sites as an advertising medium to improve the industry's image. However, it goes without saying that such an approach can hardly be effective unless improvements are seen in the working environment and conditions in the industry, and in efforts to preserve site landscapes.



At the forefront of hospitality service

The Japanese word *omotenashi* ('hospitality'), highlighted in the presentation by Christel Takigawa in Japan's bid to host the 2020 Olympics, has become a buzzword in Japan. The number of tourists visiting Japan, which aims to become a tourism-oriented country, is increasing at a higher rate than expected; and this trend will probably accelerate through to 2020.

The hospitality industry, which includes hotels and restaurants, is making various plans for the Olympics. National chains, for example, are eager to provide the best possible service, so that Olympic tourists will become repeat customers.

In the London Olympics, attempts were made to deploy the most competent staff in the forefront of the hospitality service. McDonald's, for example, established four branches near the Olympic stadium, including the world's largest temporary restaurant (1,500 seats), and staffed them with the 500 top performing staff, selected from McDonald's 85,000 staff across the country, through the Olympic Champion Crew Super Team events, in order to provide the best customer service possible. As another example, Eurostar, a long-distance railway service connecting the UK with France and Belgium, appointed 70 staff, who excelled in customer service, as 'Olympic Champion' members, to provide service to VIPs and other railway users.

Following these models, it would be beneficial to deploy superior staff at the forefront of the Olympic hospitality service. However, according to People 1st, the leading workforce development expert for hospitality in the UK, there is a structural problem here: the hospitality industry comprises many small businesses that cannot afford to invest in training.

Tens of thousands of volunteers and staff at the London 2012 Olympic Games and Paralympics were trained in WorldHost, adapted for the UK market by People 1st. The WorldHost programmes provide a gold standard in training for any business that relies on day-to-day interaction with customers for success.

The hospitality industry helps enable Japan to become a tourism-oriented country, and development of cross-industrial systems aimed at cultivating human resources is also expected as 2020 approaches.

Potential of the human resources procurement scheme

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The human resources procurement scheme here proposed is designed principally for the Olympics, but is also applicable to other similar events, such as the 2019 Rugby World Cup and the 2021 World Masters Athletics Championships, which will both be held in Japan. Further, the scheme can also be employed for human resources procurement aimed at recovery from disasters or other major emergencies. In this last section, we discuss how the scheme can be implemented in this latter case.

- Human resources procurement scheme as a precautionary measure

Large-scale, temporary procurement of human resources is required not only for mega events such as the Olympics and the World Exposition, but also for recovery from disasters or other emergency situations.

Much as we might like to, we cannot preclude the possibility of another disaster like the Great East Japan Earthquake, especially with the postulated Nankai Trough earthquake in mind. Should such a disaster occur in Japan, with its population aging and declining, it will be all the more difficult to rapidly procure a large quantity of human resources. Moreover, in disaster situations it is necessary both to procure human resources for restoration and to secure jobs for those who have lost their jobs due to the disaster, simultaneously; meaning that not one

but two interconnected schemes are required for disaster restoration.

Compared with the human resources procurement for the Olympics, which allows preliminary preparation, achieving human resources procurement and job assistance simultaneously in the confused aftermath of a sudden disaster is far more challenging. It is therefore important to develop a human resources procurement scheme during normal times, as a precaution against such emergencies.

- Characteristics of human resources procurement for disaster restoration

Although a disaster appears to be an event that is a great contrast to the Olympics, these two events have a common feature of involving a large-scale, temporary need for human resources. The difference between these events is discussed below for each of the five proposed initiatives.

First of all, the time frames are different. Whereas the human resources for the Olympics can be procured systematically over several years, those for a disaster must be procured immediately after the onset of the disaster.

As with the Olympics, the same approach of turning the mismatch to advantage can be employed for disaster restoration by procuring workers from

the public and private sectors, as well as volunteers, from areas that have suffered less damage. Moreover, it is necessary to resolve the existing mismatch more than "Turn the mismatch to advantage." In other words, we need to assist people who have lost their jobs due to the disaster in finding a new job in spite of the existing mismatches in the skills and experience required.

Expanding training opportunities must be helpful in resolving these mismatches. Developing training programs is indispensable for disaster restoration, during which many mismatches occur. As there is no time for preliminary planning, unlike in the case of the Olympics, it is necessary to develop and implement training programs together with human resources procurement immediately after the onset of the disaster.

It often takes years to recover from a disaster, depending on its magnitude. What is especially important is the management of human resources procurement according to the changing needs as restoration advances from one phase to another. The importance of total management in disaster restoration is enhanced by the need for achieving both human resources procurement and job assistance.

The development and dissemination of work regulations are also important in disaster restoration. It should be noted that it is particularly difficult to secure safety during disaster restoration due to damage to buildings and disruptions in transportation systems.

As discussed above, the human resources procurement scheme for the Olympics can be effectively applied to human resources procurement for disaster restoration.

- Types of legacy

Gratton and Preuss (2008) classified Olympic legacies on the basis of three criteria: planned or unplanned, tangible or intangible, and positive or negative.

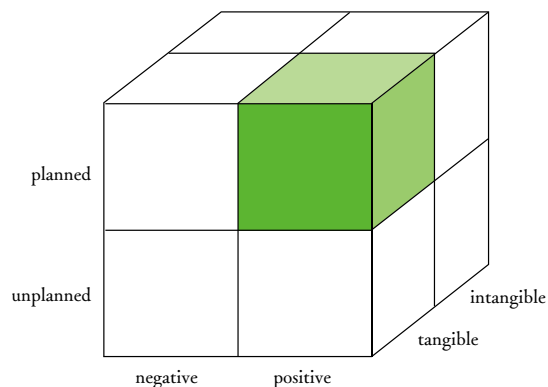
A human resources procurement scheme for the Olympics is a planned, intangible, positive legacy. A legacy created as a result of an earthquake, e.g. the flexible implementation of emergency job

creation projects in the case of the Great East Japan Earthquake, is an unplanned, intangible legacy.

A human resources procurement scheme for emergency preparedness proposed in this report is a planned, intangible, positive legacy.

Especially as the Tokyo Olympics is meant to symbolize national recovery from the Great East Japan Earthquake, Japan has an international responsibility to develop an effective nation-level human resources procurement scheme.

Legacy Cube



Source : Gratton, C. & Preuss, H.(2008) Maximizing Olympic impacts by building up legacies. The International Journal of the History of Sport 25(14), 1922-1938



*Creating a Japanese
legacy for the world*

The proposed human resources procurement scheme aims to meet a nation-level, large-scale, temporary need for human resources. This kind of scheme is needed not only for the Olympics but for other mega events such as the World Exposition, and in times of major emergency.

To develop a human resources procurement scheme for the 2020 Olympics, it is necessary to pursue human resources procurement systematically in each sector, and to record the process of procurement. Unexpected situations will surely occur during the process. However, what is important is not to completely eliminate the possibility of such situations occurring, but to improve the essential quality of scheme development, by employing a PDCA cycle with consideration of such unexpected situations.

The proposed human resources procurement scheme will be successfully created only when partnerships are established between the leaders directing the scheme's development and the various key stakeholders. Properly developed, however, the scheme will lead to success in the Tokyo 2020 Olympics, and leave an intangible but important legacy to the world after the Olympics.

Japan, whose population has begun to decline, is not the only country that needs this kind of human resources procurement scheme. The scheme may be equally employed to meet large-scale, temporary needs for human resources in any country potentially facing labor shortages.

Thus, the human resources procurement scheme, developed in Japan as an Olympic legacy, should be disseminated to the world.

Proposal of a Human Resources Procurement Scheme for the Tokyo 2020 Olympics Leaving a Legacy to the World

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