

# Ways for small and medium-sized businesses (SMBs) to recruit new employees

2723: Kyoto Prefectural Toba High School

## Research Question

**How can we interest young people in working for SMBs in Kyoto?**

## Background

Small and Medium-sized businesses (SMBs) account for **99.7%** of all companies in Japan. This is high even among OECD nations. Keeping SMBs healthy is **vital** not only for Japan, but also for the global economy. However, SMBs are facing one very difficult problem. It is a **shortage of qualified employees**.

## Investigation

**RQ①**  
How severe is the employee shortage faced by SMBs?  
**73.7%** of SMBs report an employee shortage.  
Of those, **20%** say the shortage is "very serious."

Reference: Organization for Small & Medium Enterprises and Regional Innovation, JAPAN. (2017). *SMB Survey Report*.

**RQ②**  
What kind of employees do SMBs need?

Reference: Interview at Agency Assist Corp., Katsura Building Materials Corp. and JETRO (2018).

**RQ③**  
What are the advantages of working for SMBs?

Reference: Interviews at Agency Assist Corp., Katsura Building Materials Corp. JETRO, and the Kyoto SMB Association Youth Conference (2018).

**RQ④**  
What are Japanese students' employment preferences?

University students at **top schools** tend to prefer to work at **large corporations**. However, **54.1%** of private university students are **open** to working for **SMBs**.

Area	want to enjoy working (%)	work-life balance is important (%)
KANSAI AREA	32.8	27.5
KANTO AREA	29.7	24.7

Reference: Sunday Mainichi 2015.8.2 MyNavi.(2018). *Survey of graduating students employment*.

**RQ⑤**  
What advantages does Kyoto have for SMBs?

City	College students per 100 people
OSAKA	2.34
TOKYO	4.72
KYOTO	5.35

Reference: The Japan Economic Research Institute. (2016). *The JERI Monthly Report*

**RQ⑥**  
How is the working environment at SMBs?

Number of employees	over 100 hours (%)	80-100 hours (%)	45-80 hours (%)
5000	~45	~65	~75
1000-4999	~40	~60	~70
500-999	~35	~55	~65
300-499	~30	~50	~60
100-299	~25	~45	~55
50-99	~20	~40	~50
30-49	~15	~35	~45
10-29	~10	~30	~40

Reference: The Ministry of Health, Labor and Welfare. (2012). *Survey on State of Employees' Health*.

## Proposal

**SMBs in Kyoto should target university students in the Kansai area for recruitment**

## Discussion

The SMB Association of Kyoto can make a **recruitment web page** which emphasizes the superior **work-life balance** and other **advantages** of working for SMBs. Ads on **YouTube**, which are **cost-effective**, can be used to promote the site. In this way, SMBs can get **enough employees** and stay **healthy**.