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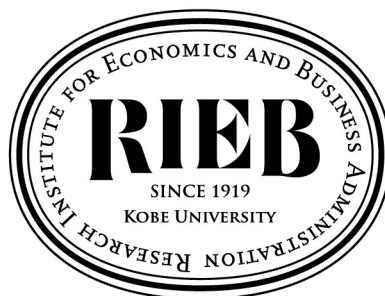
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**Current Situation and Challenges of  
Human Resources Management of  
Financial Institutions: Based on the 2017  
Attitude Survey of Young and Mid-Level  
Staff of Japanese Financial Institutions**

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# Current Situation and Challenges of Human Resources Management of Financial Institutions:<sup>#</sup>

Based on the 2017 attitude survey of young and mid-level staff of  
Japanese financial institutions

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## Abstract

In January 2017, we conducted an attitude survey of young and mid-level financial institution staff. This survey was administered as a follow-up to the “2014 financial institution staff questionnaire” administered in December 2014 (see Yamori and Yoneda (2015), Yamori (2016), etc.), and surveyed respondents’ attitudes towards their current workplaces and work experience, academic history and reasons for choosing employment by their institutions, sense of accomplishment in work and satisfaction with compensation/benefits, the strengths of the financial institutions in which they work, advice for companies and status of support measures, personnel systems and evaluation systems, issues they face in their workplace and workplace conditions, and more. The survey was administered to early- and mid-career financial institution staff in their 20s to 50s (excluding staff with positions of branch chief or higher). Responses were collected from 509 major commercial bank and trust bank staff, 294 regional bank staff, 66 second-tier regional bank staff, 143 credit association staff and 22 credit cooperative staff, for a total of 1034 respondents. In this paper we report the results of the survey related, in particular, to

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financial institution personnel management.

### Keywords

Regional revitalization, region-based relationship banking, regional finance, personnel evaluation, questionnaire

## 1. Introduction

Expectations are growing for the role that regional financial institutions will play in regional revitalization. Needless to say, financial institutions employ numerous staff, and it is through their efforts that regional financial institutions are able to meet these societal expectations. Believing it important to understand how those working in the field for regional financial institutions see the state of regional finance, and how high morale is in the field, Yamori, Tomimura and Takaku (2014) conducted an attitude survey of branch chief-class staff in financial institutions. In order to supplement this branch chief survey and analyze the attitudes of a wider range of financial institution staff, the “2014 financial institution staff questionnaire” was administered in December 2014. The results were published in papers by Yamori and Yoneda (2015), Yamori (2016), etc.

We conducted a new survey as a follow-up to the 2014 financial institution staff questionnaire<sup>1</sup>. There were two main objectives for this. First, the sample size of the 2014 survey, 400 respondents, was small, and due to survey implementation design problems, a large number of respondents were from financial institutions which were not involved in lending business, so there were a great number of “I don’t know” responses. A greater number of valid answers needed to be collected to verify the robustness of the survey results. Second, there have been major changes in personnel management in financial institutions in recent years. Comparing the results of the new survey to those of the survey administered three years ago could elucidate recent financial system policy of Japan’s Financial Services Agency (FSA) and financial institution management trends.

The overall results of the survey have already been released by Yamori and Yoneda (2017b), but this paper introduces primarily the results related to financial institution personnel management.

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<sup>1</sup> In February 2017, the authors also conducted a follow-up survey to the branch chief questionnaire as part of a research project by the Research Institute of Economy, Trade and Industry (RIETI). RIETI released these results in a paper by Yamori, et al (2017).

## 2. Survey Implementation Overview

This survey was conducted online using the MyVoice Communications web survey service from January 12 to January 19, 2017. Ultimately, responses were received from 1034 survey takers (527 men and 507 women). As shown in Table 1, the distribution of workplace categories of the respondents was as follows: “Major commercial banks/trust banks” 49.2%, “Regional banks” 28.4%, “Credit associations (or Shinkin Bank)” 13.8%, “Second-tier regional banks” 6.4% and “Credit cooperatives (or Shinkumi Bank)” 2.1%.

With regard to their positions shown in Table 2, 41.4% were “General staff (full-time employee)”, 25.9% were “General staff (non-full-time employee, non-regular staff, etc.)”, 15.7% were “Senior staff, assistant manager, or deputy branch chief”, 10.1% were “Section chief” and 7.0% were “Assistant director or vice-branch chief”. As mentioned above, this survey’s scope did not include respondents whose position was “Branch chief” or “Above branch chief”.

**Table 1 Distribution of positions of the respondents**

		Overall (respondents)	Major commercial bank	Regional bank	Second-tier regional bank	Credit association	Credit cooperative
Overall		1034	509	294	66	143	22
		100.0	49.2	28.4	6.4	13.8	2.1
By gender	Male	527	247	148	39	87	6
		100.0	46.9	28.1	7.4	16.5	1.1
	Female	507	262	146	27	56	16
		100.0	51.7	28.8	5.3	11.0	3.2
Age bracket	20s	102	38	33	9	16	6
		100.0	37.3	32.4	8.8	15.7	5.9
	30s	218	112	60	10	31	5
		100.0	51.4	27.5	4.6	14.2	2.3
	40s	363	178	108	21	50	6
		100.0	49.0	29.8	5.8	13.8	1.7
	50s	351	181	93	26	46	5
		100.0	51.6	26.5	7.4	13.1	1.4

(Note 1) “Major commercial bank” includes “Major commercial banks,” which are subsidiaries of Japanese mega bank groups, and “Trust banks.”

(Note 2) The figure in the first row for each category is number of corresponding respondents. The figure in the second row is the ratio (%) of corresponding respondents to the overall respondents.

**Table 2 Distribution of workplace categories of the respondents**

	Overall (respondents)	General staff (full-time employee)	General staff (non-full-time employee, non-regular staff, etc.)	Senior staff, assistant manager, or deputy branch chief	Section chief	Assistant director or vice-branch chief
Overall	1034	428	268	162	104	72
	100.0	41.4	25.9	15.7	10.1	7.0

(Note) The figure in the first row for each category is number of corresponding respondents. The figure in the second row is the ratio (%) of corresponding respondents to the overall respondents.

### 3. Reason for choosing employment at a financial institution

One of the questions on the survey was “Which of the following reasons were major factors in your decision to seek employment at your current company?” Table 3 shows a breakdown of the answers to this question. The most frequently chosen response was “I was interested in finance” (43.7%), followed by “It would allow me to work close to home” (29.9%), “It was stable” (19.6%), “It would offer good compensation/benefits” (18.4%), “It would allow me to leverage my strengths” (14.7%), “There would be little relocation to distant workplaces” (12.8%), “No particular reason” (9.9%), “My family recommended it” (7.5%), “It enjoyed a high status in the local community” (7.4%), “It would allow me to work for the benefit of the community” (6.0%), “It was familiar” (6.0%), “It would allow me to work on the global stage” (4.4%), and “Other” (2.7%).

There was a prominent difference between the number of men and women that selected “I was interested in finance,” with over 20% more men selecting this answer than women. Looking at the results by business category, a greater percentage of respondents working in major commercial banks or trust banks selected “I was interested in finance” or “It would offer good compensation/benefits” than respondents in other categories, while a greater percentage of respondents working in regional banks, second-tier regional banks, credit associations and credit cooperatives selected “It would allow me to work close to home.” For credit associations, in particular, the percentage of respondents selecting “There would be little relocation to distant

workplaces” was over 20% higher than the average.

Only roughly 10% of the respondents working in regional banks, credit associations or credit cooperatives selected “It would allow me to work for the benefit of the community”. This same trend is evident in the results of Yamori and Yoneda (2015), which surveyed the opinion of bank staffs. However, in the survey of roughly 3,000 branch chiefs by Yamori, et al. (2017), 41.3% of respondents selected this answer. There is a significant difference between the branch chief level and regular employees. The question asked about motivation at the point of entering the company, so if the results are taken at face value, this appears to represent a difference in mindsets towards one’s home region between those who are promoted to branch chief level and those who are not.

**Table 3 Reasons for choosing employment by your current company (choose up to three)**

		Overall (respondents)	I was interested in finance	It would allow me to leverage my strengths	It would allow me to work close to home	There would be little relocation to distant workplaces	It would allow me to work for the benefit of the community	It would allow me to work on the global stage	It was familiar	It would offer good compensation/benefits	My family recommended it	It enjoyed a high status in the local community	It was stable	Other	No particular reason
Overall		1034	43.7	14.7	29.9	12.8	6.0	4.4	6.0	18.4	7.5	7.4	19.6	2.7	9.9
By gender	Male	527	55.8	15.0	29.0	10.8	8.0	5.9	5.1	20.3	6.3	8.0	18.4	0.9	6.5
	Female	507	31.2	14.4	30.8	14.8	3.9	2.8	6.9	16.4	8.9	6.9	20.9	4.5	13.4
Business category of place of employment	Major commercial bank	509	53.4	20.0	10.2	7.5	1.8	8.3	4.3	25.1	5.7	4.3	21.8	2.2	10.6
	Regional bank	294	32.3	10.5	45.9	11.6	10.9	0.7	7.8	12.9	9.2	13.6	18.7	4.8	9.2
	Second-tier regional bank	66	33.3	9.1	50.0	10.6	7.6	1.5	7.6	10.6	6.1	10.6	12.1	-	9.1
	Credit association	143	38.5	7.7	53.8	34.3	9.8	-	7.0	9.1	10.5	5.6	18.2	1.4	8.4
	Credit cooperative	22	36.4	9.1	54.5	18.2	9.1	-	9.1	18.2	13.6	-	13.6	4.5	13.6

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

#### 4. Sense of accomplishment in work

The survey asked respondents about their sense of accomplishment in their current work. As the tabulation results in Table 4 show, 8.1% responded “I feel a great sense of accomplishment”, 37.8% responded “I feel a sense of accomplishment”, making it the most popular answer, 32.9% responded “I feel a mild sense of accomplishment”, 12.7% responded “I feel little sense of accomplishment”, 7.4% responded “I feel no sense of accomplishment” and 1.1% responded “I don’t know”.

Comparing the total number of respondents who selected “I feel a great sense of accomplishment” or “I feel a sense of accomplishment” by gender, 47.2% of male respondents selected one of these choices, as compared to 44.6% of female respondents, making the percentage for men slightly higher. The business category with the highest percentage of respondents selecting these choices was the major commercial bank/trust bank category, with 49.9%, followed by the credit association category, with 46.2%, the regional bank category, with 43.2%, the second-tier regional bank category, with 33.3% and then the credit cooperative category, with 27.3%.

The choices presented in this survey differed slightly from those in the survey by Yamori and Yoneda (2015), but in that survey of 400 bank staff members (including credit association and credit cooperative staff), 5.5% responded “I feel a very great sense of accomplishment”, 19.5% responded “I feel a great sense of accomplishment”, 45.3% responded “I feel a sense of accomplishment”, 21.3% responded “I feel little sense of accomplishment”, 5.5% responded “I feel no sense of accomplishment” and 3.0% responded “I don’t know”. 27% of respondents felt little sense of accomplishment (total of respondents selecting “I feel little sense of accomplishment” or “I feel no sense of accomplishment”). In this survey the percentage of respondents feeling little sense of accomplishment (total of respondents selecting “I feel little sense of accomplishment” or “I feel no sense of accomplishment”) was roughly 20%, similar to that of the other study.

However, in the study by Yamori, et al. (2017), when the survey takers, who were branch chiefs, were asked about their sense of accomplishment in their work, 2,459 respondents, or roughly 90% of the sample, responded “I feel a very great sense of accomplishment” or “I feel a great sense of accomplishment”, indicating that the majority of branch chiefs feel a strong sense of accomplishment. There is an appreciable difference in the amount of accomplishment felt by those at the branch chief level and regular employees. Determining how to foster a greater sense of accomplishment among regular employees will be a major issue for the future research.



For reference sake, as a comparative sample, Yamori and Yoneda (2016, 2017a) asked 700 tax accountants, certified accountants and lawyers about their sense of accomplishment. 21.1% responded “I feel a very great sense of accomplishment”, 31.1% responded “I feel a great sense of accomplishment”, 33.6% responded “I feel a sense of accomplishment”, 11.7% responded “I feel little sense of accomplishment”, and 2.4% responded “I feel no sense of accomplishment”. Ogawa, Tsubuku and Yamori (2016) asked regional public servants engaged in industry and commerce promotion about their sense of accomplishment. 82% of respondents chose “I feel a very great sense of accomplishment”, “I feel a great sense of accomplishment” or “I feel a sense of accomplishment”, while 13.2% chose “I feel little sense of accomplishment” and 1.8% chose “I feel no sense of accomplishment”. Compared to the results of regional public servants and experts, such as tax accountants, certified accountants, and lawyers, the sense of accomplishment felt by financial institution branch chiefs was roughly the same, but the sense of accomplishment felt by ordinary employees was extremely low.

**Table 4 Sense of accomplishment in work**

		Overall (respondents)	I feel a great sense of accomplishment	I feel a sense of accomplishment	I feel a mild sense of accomplishment	I feel little sense of accomplishment	I feel no sense of accomplishment	I don't know
Overall		1034	8.1	37.8	32.9	12.7	7.4	1.1
By gender	Male	527	9.9	37.4	31.1	11.8	8.5	1.3
	Female	507	6.3	38.3	34.7	13.6	6.3	0.8
Business category of place of employment	Major commercial bank	509	11.8	38.1	31.6	10.2	7.5	0.8
	Regional bank	294	4.1	39.1	34.4	14.6	6.5	1.4
	Second-tier regional bank	66	6.1	27.3	43.9	12.1	9.1	1.5
	Credit association	143	4.2	42.0	26.6	18.2	7.7	1.4
	Credit cooperative	22	9.1	18.2	50.0	9.1	13.6	-

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

## 5. Financial institution personnel and performance evaluation system trends

The survey asked respondents about what changes there have been in personnel and performance systems over the past five years. As shown in Table 5, the most common answer was “I don’t know” (27.8%), followed by “Little/no changes” (25.0%).

However, conversely, roughly half of the respondents indicated that there were clear changes. The contents of the changes were, in order, “Qualitative elements have been introduced and/or weighted more heavily” (13.2%), “One or more new awards systems have been introduced” (12.4%), “The weighting of quantitative elements has been changed” (11.1%), “Evaluators have been changed/added” (9.6%), “Quotas have been reinforced” (8.7%), “Qualitative elements have been eliminated or weighted less heavily” (6.3%), “Evaluation periods have been lengthened” (5.5%), “Quotas have been eliminated” (5.3%), “Other changes” (5.0%) and “Evaluation periods have been shortened” (3.5%).

By business category, the percentage of respondents in second-tier regional banks answering “The weighting of quantitative elements has been changed” was over 5% higher than the average. The percentage of “Quotas have been reinforced” answers was over 5% higher for credit association respondents than for the average, as was the percentage of “Little/no changes” answers.

**Table 5 Changes to personnel evaluations over the past 5 years (multiple answers allowed)**

	Overall (respondents)	Quantitative elements have been introduced and/or weighted more heavily	Quantitative elements have been eliminated or weighted less heavily	The weighting of quantitative elements has been changed	Evaluators have been changed/added	Evaluation periods have been lengthened	Evaluation periods have been shortened	One or more new awards systems have been introduced	Quotas have been eliminated	Quotas have been reinforced	Other changes	Little/no changes	I don't know	
Overall	1034	13.2	6.3	11.1	9.6	5.5	3.5	12.4	5.3	8.7	5.0	25.0	27.8	
Business category of place of employment	Major commercial bank	509	12.2	6.5	11.4	9.2	6.7	4.3	10.6	4.9	6.5	4.7	25.1	30.6
	Regional bank	294	13.9	6.8	10.2	11.2	4.8	2.4	14.6	5.4	9.2	4.1	22.4	27.6
	Second-tier regional bank	66	16.7	7.6	16.7	6.1	9.1	4.5	13.6	6.1	10.6	7.6	16.7	25.8
	Credit association	143	13.3	4.2	9.8	10.5	0.7	2.8	14.0	6.3	15.4	6.3	32.9	17.5
	Credit cooperative	22	13.6	4.5	9.1	-	9.1	-	9.1	4.5	4.5	9.1	27.3	36.4

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

Japanese financial institutions are said to use demerit-based personnel evaluation systems<sup>2</sup>. The survey asked respondents whether the personnel evaluation systems in their workplaces were primarily demerit-based or merit-based.

As Table 6 shows, the responses were “It is strongly demerit-based, and this has become more pronounced than in the past” (11.3%), “It is strongly demerit-based, but the degree has not changed” (20.8%), “It is strongly demerit-based, but this has become less pronounced than in the past” (13.8%), “It is strongly merit-based, and this has become more pronounced than in the past” (9.5%), “It is strongly merit-based, but the degree has not changed” (7.9%), “It is strongly merit-based, but this has become less pronounced than in the past” (2.1%) and “I don’t know” (34.5%). The percentage of responses indicating that current personnel evaluation systems

<sup>2</sup> Under the demerit-based personnel evaluation systems, bank officers get irreversible negative marks if they fail.

are strongly demerit-based (the total percentage of “It is strongly demerit-based, and this has become more pronounced than in the past”, “It is strongly demerit-based, but the degree has not changed” and “It is strongly demerit-based, but this has become less pronounced than in the past” responses) was 45.9%. The percentage of responses indicating that personnel evaluation systems have become more merit-based (the total percentage of “It is strongly demerit-based, but this has become less pronounced than in the past” and “It is strongly merit-based, and this has become more pronounced than in the past” responses) was 23.3%.

58.6% of male respondents and 32.7% of female respondents answered that current personnel evaluation systems are strongly demerit-based, indicating that males feel more strongly that the systems are demerit-based (however, it must also be noted that there was a significant difference between the percentage of men and the percentage of women that answered “I don’t know”). Broken down by business category, 44.4% of respondents working in major commercial banks or trust banks, 46.9% of respondents working in regional banks, 45.5% of respondents working in second-tier regional banks, 51.7% of respondents working in credit associations and 31.8% of respondents working in credit cooperatives indicated their personnel evaluation systems were strongly demerit-based, with credit association respondents selecting this choice the most often.

Looking at the gender breakdown, 27.7% of male respondents indicated that their personnel evaluation systems have *become* more merit-based, versus 18.7% of female respondents. Broken down by business category, 23.2% of respondents working in major commercial banks or trust banks, 22.1% of respondents working in regional banks, 19.7% of respondents working in second-tier regional banks, 27.3% of respondents working in credit associations and 27.3% of respondents working in credit cooperatives indicated their personnel evaluation systems were becoming more merit-based, with credit association and credit cooperative respondents selecting this choice the most often.

**Table 6 Demerit-based personnel evaluation system trends**

		Overall (respondents)	It is strongly demerit-based, and this has become more pronounced than in the past	It is strongly demerit-based, but the degree has not changed	It is strongly demerit-based, but this has become less pronounced than in the past	It is strongly demerit-based, and this has become more pronounced than in the past	It is strongly merit-based, but the degree has not changed	It is strongly merit-based, but this has become less pronounced than in the past	I don't know
	Overall	1034	11.3	20.8	13.8	9.5	7.9	2.1	34.5
By gender	Male	527	13.9	28.1	16.7	11.0	8.7	2.1	19.5
	Female	507	8.7	13.2	10.8	7.9	7.1	2.2	50.1
Business category of place of employment	Major commercial bank	509	10.4	21.0	13.0	10.2	7.9	1.8	35.8
	Regional bank	294	11.6	22.1	13.3	8.8	6.8	2.7	34.7
	Second-tier regional bank	66	10.6	22.7	12.1	7.6	9.1	4.5	33.3
	Credit association	143	14.0	18.9	18.9	8.4	10.5	0.7	28.7
	Credit cooperative	22	13.6	4.5	13.6	13.6	4.5	4.5	45.5

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

## 6. Receptiveness to new evaluation systems

In recent years, Japanese financial institutions have become more aware of the adverse effects of the quantitative goals that have traditionally been set (so-called “quotas”), and some financial institutions have worked towards eliminating quotas. This survey asked respondents how they would feel if lending and sales quotas were eliminated when setting individual targets. Table 7 shows the results.

The responses were, in order, “I don’t know” (27.3%), “It would make it possible to work steadily and thoroughly” (26.0%), “It would spoil lazy staff members” (21.7%), “It would make it possible to perform work from a customer-centric position” (20.8%), “It would prevent employees from knowing what they could do to be evaluated highly” (16.3%), “Quotas should be eliminated” (15.5%), “It would make objective evaluation impossible” (13.3%), “It would fail, and quotas would be reinstated” (11.5%) and “It would provide me with opportunities” (8.6%). Looking at these results, it appears that there were roughly equal numbers of respondents who evaluated this possibility positively and who evaluated it negatively, indicating a split in opinion among financial industry employees regarding shifting to new evaluation systems.

Looking at the results by gender, the number of women who chose “I don’t know” was notably high. Looking at the results by age, the percentage of respondents in their 20s who responded “Quotas should be eliminated” was over 5% higher than the average, as was the percentage of respondents in their 30s who responded “It would fail, and quotas would be reinstated”. Broken down by business category, a large percentage of credit cooperative respondents answered “Quotas should be eliminated”, with the selection percentage for this group being 20.9% higher than the average.

**Table 7 Evaluation of elimination of quotas when setting individual targets (multiple answers allowed)**

		Overall (respondents)	It would make objective evaluation impossible	It would prevent employees from knowing what they could do to be evaluated highly	It would spoil lazy staff members	It would make it possible to perform work from a customer-centric position	It would make it possible to work steadily and thoroughly	It would provide me with opportunities	Quotas should be eliminated	It would fail, and quotas would be reinstated	I don't know
Overall		1034	13.3	16.3	21.7	20.8	26.0	8.6	15.5	11.5	27.3
By gender	Male	527	17.5	19.0	25.0	25.4	30.2	12.0	13.1	14.6	18.2
	Female	507	9.1	13.6	18.1	16.0	21.7	5.1	17.9	8.3	36.7
Age bracket	20s	102	13.7	12.7	23.5	23.5	25.5	11.8	20.6	9.8	21.6
	30s	218	13.3	17.9	21.6	17.4	24.8	11.9	19.3	16.5	27.1
	40s	363	14.1	15.7	22.9	20.7	25.6	7.4	16.3	11.3	28.1
	50s	351	12.5	17.1	19.9	22.2	27.4	6.8	10.8	9.1	28.2
Business category of place of employment	Major commercial bank	509	14.3	14.9	21.4	18.1	24.0	7.7	12.8	9.2	30.8
	Regional bank	294	13.6	15.6	19.4	23.8	26.9	9.9	16.3	11.9	25.5
	Second-tier regional bank	66	4.5	24.2	19.7	25.8	27.3	9.1	13.6	16.7	24.2
	Credit association	143	14.0	19.6	30.1	24.5	30.1	9.1	21.0	16.8	18.9
	Credit cooperative	22	9.1	13.6	9.1	4.5	31.8	9.1	36.4	9.1	31.8

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

## 7. Evaluation of workplace environments

This survey asked respondents to choose all sentences that apply to conditions in their workplaces from a list of 10 items. Looking at selection rates for each choice, as shown in Table 8, 14.2% of respondents chose “I will grow as a member of the finance industry by continuing my current work”, 14.7% chose “I am trusted by my colleagues and senior staff”, 14.9% chose “My superiors, senior staff and colleagues often provide me with concrete advice”, 13.4% chose “I am given sufficient discretion to carry out my work”, 19.6% chose “I am constantly overburdened with work, and cannot thoroughly engage with customers”, 20.1% chose “Many young staff members leave my company”, 13.1% chose “I am doing work my family can take pride in”, 8.1% chose “There are many motivated people in my workplace”, 10.2% chose “None of the above apply” and 22.1% chose “I don’t know”.

Looking at choices for which there was a disparity of 10% or more between answers by male and female respondents, 10.3 percentage point more men than women selected “I am constantly overburdened with work, and cannot thoroughly engage with customers” and 13.4 percentage point more women than men selected “I don’t know”. Looking at answer rates by age of respondents, the percentages for “My superiors, senior staff and colleagues often provide me with concrete advice” and “Many young staff members leave my company” were over 10 percentage point higher for respondents in their 20s than for the average. Looking at the results by business category, the selection percentage for “Many young staff members leave my company” was over 10 points higher for respondents in credit associations than the average.



**Table 8 Conditions in the current workplaces of respondents (multiple answers allowed)**

		Overall (respondents)	I will grow as a member of the finance industry by continuing my current work	I am trusted by my colleagues and senior staff	My superiors, senior staff and colleagues often provide me with concrete advice	I am given sufficient discretion to carry out my work	I am constantly overburdened with work, and cannot thoroughly engage with customers	Many young staff members leave my company	I am doing work my family can take pride in	There are many motivated people in my workplace	None of the above apply	I don't know
Overall		1034	14.2	14.7	14.9	13.4	19.6	20.1	13.1	8.1	10.2	22.1
By gender	Male	527	18.4	13.9	14.6	16.3	24.7	18.8	12.0	7.8	10.6	15.6
	Female	507	9.9	15.6	15.2	10.5	14.4	21.5	14.2	8.5	9.7	29.0
Age bracket	20s	102	19.6	17.6	29.4	14.7	21.6	31.4	12.7	7.8	4.9	13.7
	30s	218	15.6	17.9	19.7	15.6	21.6	29.4	13.8	7.8	2.3	21.6
	40s	363	12.9	13.5	11.8	12.1	21.8	14.3	12.1	6.3	13.2	24.2
	50s	351	13.1	13.1	10.8	13.1	15.7	17.1	13.7	10.3	13.4	22.8
Business category of place of employment	Major commercial bank	509	16.7	15.5	14.7	14.7	15.1	14.5	14.1	10.6	10.0	24.0
	Regional bank	294	10.9	14.6	13.9	12.2	24.2	19.7	12.6	6.8	10.2	22.1
	Second-tier regional bank	66	9.1	9.1	13.6	9.1	16.7	22.7	9.1	3.0	13.6	25.8
	Credit association	143	14.7	13.3	16.8	12.6	27.3	39.9	13.3	4.2	8.4	15.4
	Credit cooperative	22	13.6	22.7	22.7	18.2	22.7	18.2	4.5	9.1	13.6	13.6

(Note) The “Overall” column indicates number of respondents. All other columns indicate percentages of respondents. The “Major commercial bank” row consists of combined results for “Major commercial banks” and “Trust banks”.

## 8. Conclusions

We have presented the results of the attitude survey of young and mid-level financial institution staff conducted in January 2017. This survey was administered as a follow-up to the “2014 financial institution staff questionnaire” administered in December 2014 (see Yamori and Yoneda (2015), Yamori (2016), etc.), and surveyed respondents’ attitudes towards their current workplaces and work experience, academic history and reasons for choosing employment at their institutions, sense of accomplishment in work and satisfaction with compensation/benefits, the self-evaluated strengths of the financial institutions in which they work, advice for customer companies and status of support measures, personnel systems and evaluation systems, issues they face in their workplace and workplace conditions, and more. The survey was administered to early- and mid-career financial institution staff in their 20s to 50s (excluding staff with positions of branch chief or higher). Responses were collected from 509 major commercial bank and trust bank staff, 294 regional bank staff, 66 second-tier regional bank staff, 143 credit association staff and 22 credit cooperative staff, for a total of 1034 respondents.

The main results are summarized below. When those surveyed were asked what changes they had seen in personnel evaluation systems over the past five years, the most frequent response (excluding “I don’t know” (27.8%)) was “Little/no changes” (25.0%). Other responses, in order, were “Qualitative elements have been introduced and/or weighted more heavily” (13.2%), “One or more new awards systems have been introduced” (12.4%) and “The weighting of quantitative elements has been changed” (11.1%). Looking at the results on an individual business category basis, for credit association staff members the most frequent response was “Little/no changes” (32.9%). The percentage that chose “Evaluation periods have been lengthened” was low, at 0.7%, while many chose “Quotas have been reinforced,” at 15.4%. These results differ from the general perception of the direction of evaluation reforms, indicating the use of a conventional strategy. There appear to be some credit associations which are further strengthening their conventional strategic approaches. We wonder if their strategy is sustainable under the current Japanese macro financial and economic environment.

When asked how they would feel if lending and sales quotas were eliminated when setting individual targets, 26.0% responded “It would make it possible to work steadily and thoroughly”, 21.7% responded “It would spoil lazy staff members”, 20.8% responded “It would make it possible to perform work from a customer-centric position” and 16.3% responded “It would prevent employees from knowing what they could do to be evaluated highly”, indicating a

roughly even split between those with positive views and those with negative views, so it appears that opinions are divided among financial industry employees. Therefore, to introduce the new evaluation system, strong and continuing leadership of the management is necessary.

When asked about conditions in their workplaces, the top responses were negative, with 20.1% responding “Many young staff members leave my company” and 19.6% responding “I am constantly overburdened with work, and cannot thoroughly engage with customers”, followed by “My superiors, senior staff and colleagues often provide me with concrete advice” (14.9%), “I am trusted by my colleagues and senior staff” (14.7%) and “I will grow as a member of the finance industry by continuing my current work” (14.2%). There were also differences between business categories, with 39.9% of credit association respondents answering “Many young staff members leave my company” and 24.2% of regional bank respondents answering “I am constantly overburdened with work, and cannot thoroughly engage with customers”, showing that different workplace environments face different issues. There is no one-size-fits-all solution to the human resource management reform of financial institutions.

Based on the above, this survey was able to shed light on what young and mid-level staff members in financial institutions think about current personnel management in financial institutions, as well as clarifying areas requiring improvement in future financial institution management and issues requiring attention when implementing personnel evaluation system reforms.

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