

Metropolitan Areas Office Worker Survey 2023 (2) Evaluation of Work Styles <Detailed Report>

Capturing changes in workers' work styles and values

December 13, 2023

Xymax Real Estate Institute

Survey Overview

Japan is transitioning to a post-COVID state as it downgraded the categorization of COVID-19 under the Infectious Disease Law to Class 5 in May 2023.

To capture changes in work styles and the workplace from the perspectives of both companies and office workers, Xymax Real Estate Institute (“Xymax REI”) has conducted a total of 14 Metropolitan Areas Office Demand Surveys of companies since autumn 2016 and seven Greater Tokyo Office Worker Surveys of office workers since the end of 2016. This 8th office worker survey was conducted in October 2023 with the addition of regional cities in the survey’s geographical coverage. This report is an excerpt of the results of the survey concerning the evaluation of the current work styles. “(1) Work Style Reality and Needs,”*1 released on the same day, summarizes the results of the reality and the needs in work styles.

*1 *Metropolitan Areas Office Worker Survey 2023 (1) Work Style Reality and Needs*, released on December 13, 2023

https://www.xymax.co.jp/english/research/images/pdf/20231213_1.pdf

The percentage mix in the charts contained in this report is rounded to the first decimal place and, therefore, may not add up to 100%.

<Related survey>

• Greater Tokyo Office Worker Survey 2022, released on November 30, 2022

<https://www.xymax.co.jp/english/research/images/pdf/20221130.pdf>

Survey period	October 2023
Target respondents	(1) Screening: Men and women between the ages of 20 and 69 whose occupation is company manager/executive or company employee and who live in the areas covered by the survey. (2) Main survey: Those who answered in the screening that their occupation was either an officer or staff of a company or organization whose job category was managerial, specialized/technical, clerical or sales and whose regular office was located in Greater Tokyo (Tokyo, Kanagawa, Saitama and Chiba prefectures), Osaka City, Nagoya City or Fukuoka City, whose residence was in Greater Tokyo (Tokyo, Kanagawa, Saitama and Chiba prefectures), or Gifu, Aichi, Mie, Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama, Fukuoka or Saga prefectures and whose current principal workplace was the office or home.
Number of valid answers	4,120 Allocated according to the location of the respondent's regular office. (Greater Tokyo: 2,060; Osaka City: 1,030; Nagoya City: 515; Fukuoka City: 515)
Geographical coverage	Greater Tokyo (Tokyo, Kanagawa, Saitama and Chiba prefectures) and Gifu, Aichi, Mie, Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama, Fukuoka and Saga prefectures
Survey method	Online

Survey Overview

Attributes of Respondents

		%	n			%	n			%	n
Gender and age	Male aged 20-29	2.3%	93	Number of employees of company	1–9	9.2%	377	Sector	Manufacturing	20.7%	852
	Male aged 30-39	7.4%	306		10–49	13.6%	560		Information & communications	15.4%	634
	Male aged 40-49	15.2%	628		50–99	8.6%	354		Wholesale & retail trade	12.7%	522
	Male aged 50-59	24.3%	1,001		100–299	14.1%	581		Services, N.E.C.	8.7%	359
	Male aged 60 or older	15.2%	628		300–999	15.8%	651		Finance & insurance	9.2%	381
	(Male total)	64.5%	2,656		1,000–2,999	11.5%	475		Construction	7.3%	299
	Female aged 20-29	5.5%	228		3,000 or more	24.3%	1,002		Real estate & goods rental and leasing	5.4%	222
	Female aged 30-39	10.4%	428		Don't know	2.9%	120		Scientific research, professional & technical services	4.1%	167
	Female aged 40-49	9.8%	402		General office work/reception/secretary	24.3%	1,003		Transport & postal activities	3.3%	136
	Female aged 50-59	8.4%	345		Sales	22.7%	937		Medical, health care & welfare	2.5%	103
Female aged 60 or older	1.5%	61	Admin/HR/accounting	19.2%	792	Electricity, gas, heat supply and water	1.9%		80		
(Female total)	35.5%	1,464	Technical specialist	17.8%	734	Education, learning support	1.7%		69		
Form of employment	Officer of company/organization	8.5%	351	Corporate planning	7.6%	314	Compound services		1.5%	61	
	Staff of company/organization (management)	24.3%	1,002	Creative specialist	1.9%	79	Living-related and personal services & amusement services		1.1%	45	
	Staff of company/organization (Full-time staff other than management)	51.1%	2,107	Clerical specialist	1.7%	69	Government, except elsewhere classified		0.7%	27	
	Staff of company/organization (Other than full-time staff)	16.0%	660	Other	4.7%	192	Accommodations, eating & drinking services		0.7%	29	
							Agriculture and forestry		0.1%	4	
						Mining and quarrying of stone and gravel	0.1%		3		
						Other & industries unable to classify	3.1%		127		

Main Findings

1. Evaluation of Current Work Style (from p.5)

- Although more than 40% of respondents are “(very/somewhat) satisfied” with their current work style, this can also be interpreted to mean that the majority are not satisfied.
- In terms of respondents’ performance, engagement with the organization they work for, and stress, by the level of satisfaction with their work style, higher levels of satisfaction led to higher ratings for all items.
- About 30% of workers have the intention to change jobs (the sum of “Decided to change jobs/Looking for new job” and “Want to change jobs if possible”). Companies will have to consider initiatives to prevent the loss of talented personnel. In particular, the group of workers who are dissatisfied with their current work style tends to have a higher intention of changing jobs.

2. Relationship Between Work Style and Satisfaction (from p.11)

- Among workers who are “(very/somewhat) dissatisfied” with their current work style, their top specific dissatisfactions or issues were “Stressful commute” (49.8%) and “Must come to the office even if the work could be done through telework” (45.1%).
- Of respondents’ dissatisfactions and issues with their work styles, those related to the inability to telework freely, such as “Must come to the office even if the work could be done through telework,” “Working from home now prohibited or restricted” and “Difficult to telework due to atmosphere of workplace or intention of supervisor,” had a negative correlation with satisfaction. There was also a negative correlation with “Currently coming to the office full time” and a positive correlation with “Have discretion to choose where to work that day,” suggesting that having the option to telework and the discretion to choose where to work affects satisfaction. However, in reality, more than half of the workers replied that they “don’t have (that much)” (51.8%) discretion over where to work.

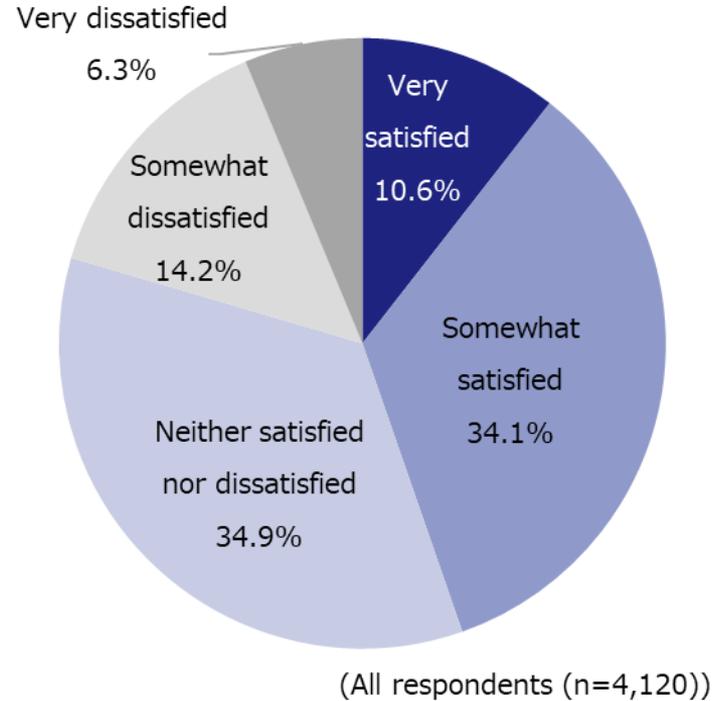
3. Discretion over Where to Work (from p.14)

- When confirming the reality of work styles by whether the respondent has discretion over where to work, we found that workers with discretion spent more time teleworking and had more options of workplaces in and outside of the office.

Majority of workers not satisfied with their current work style

Figure 1 shows the result of workers' 5-grade evaluation of their satisfaction with their current work style. Although more than 40% of respondents are "(very/somewhat) satisfied" with their current work style, this can also be interpreted to mean that the majority are not satisfied.

Figure 1: Satisfaction with Current Work Style



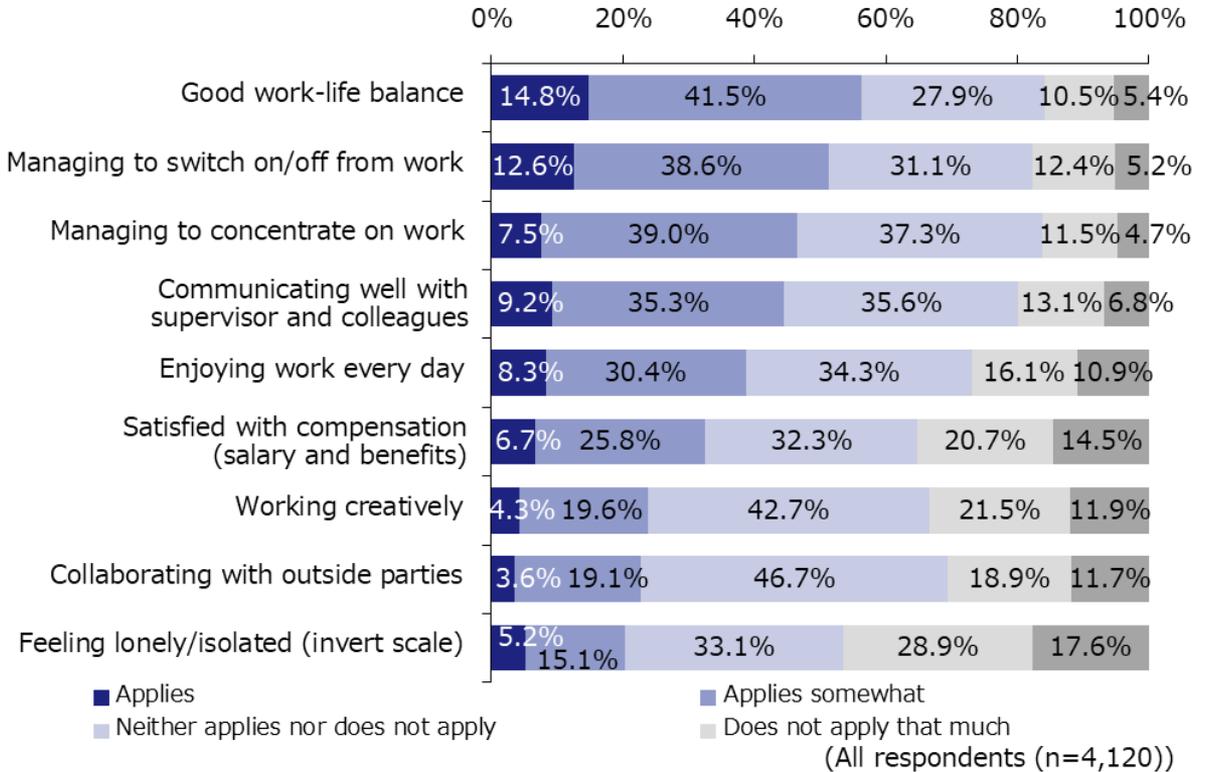
Large room for improvement in all items of the current state of work

Figure 2 shows how each item concerning respondents' current work applies to the respondents.

The state of work with the largest percentage of "Applies (somewhat)" was "Good work-life balance," followed by "Managing to switch on/off from work" and "Managing to concentrate on work." However, even for the highest-ranking "Good work-life balance," about half of the respondents replied "Neither applies nor does not apply" or "Does not apply (that much)," indicating there is large room for improvement.

Low-ranking items included "Working creatively" and "Collaborating with outside parties."

Figure 2: Current State of Work

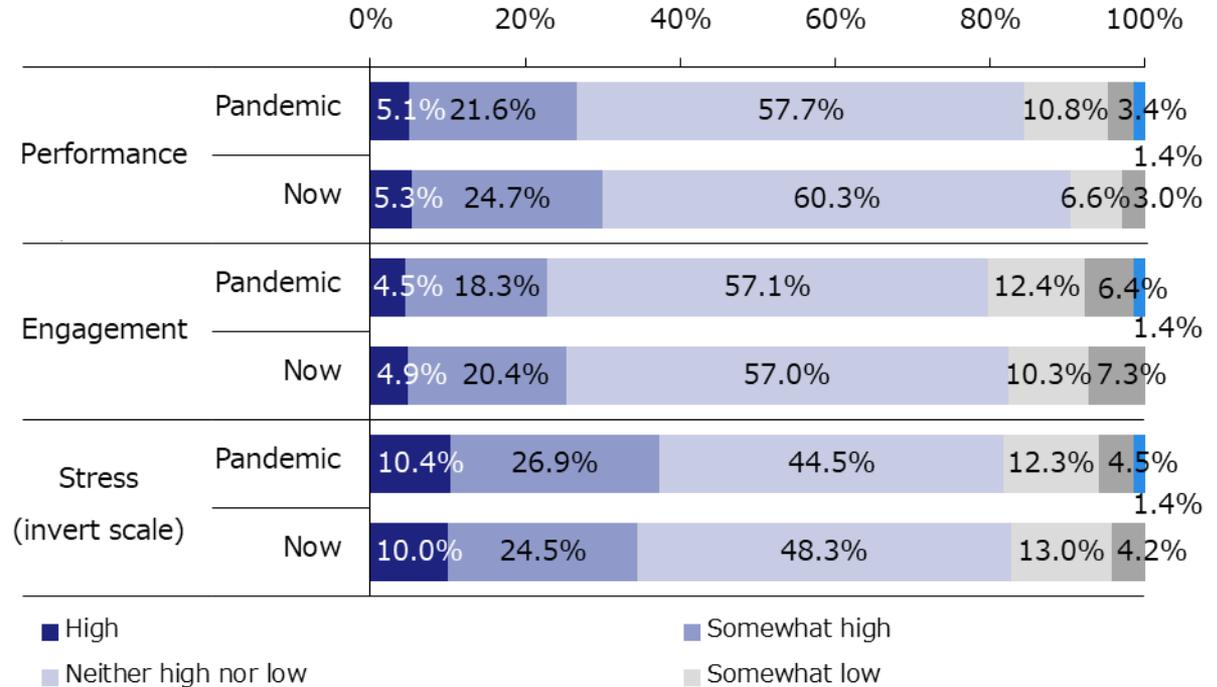


No significant change in performance, engagement or stress between during the pandemic and now

Figure 3 shows the result of a 5-grade evaluation of respondents' performance, engagement with the organization they work for, and stress under their work style during the COVID-19 pandemic and now.

There was no significant difference in each item between during the pandemic and now. The percentage of respondents who answered that their current performance and engagement were "(somewhat) high" or their current stress was "(somewhat) low" was not high.

Figure 3: Performance, Engagement, Stress during the Pandemic and Now



(All respondents (n=4,120))

1. Evaluation of Current Work Style

The higher the satisfaction with work style, the higher the evaluation of performance, engagement and stress

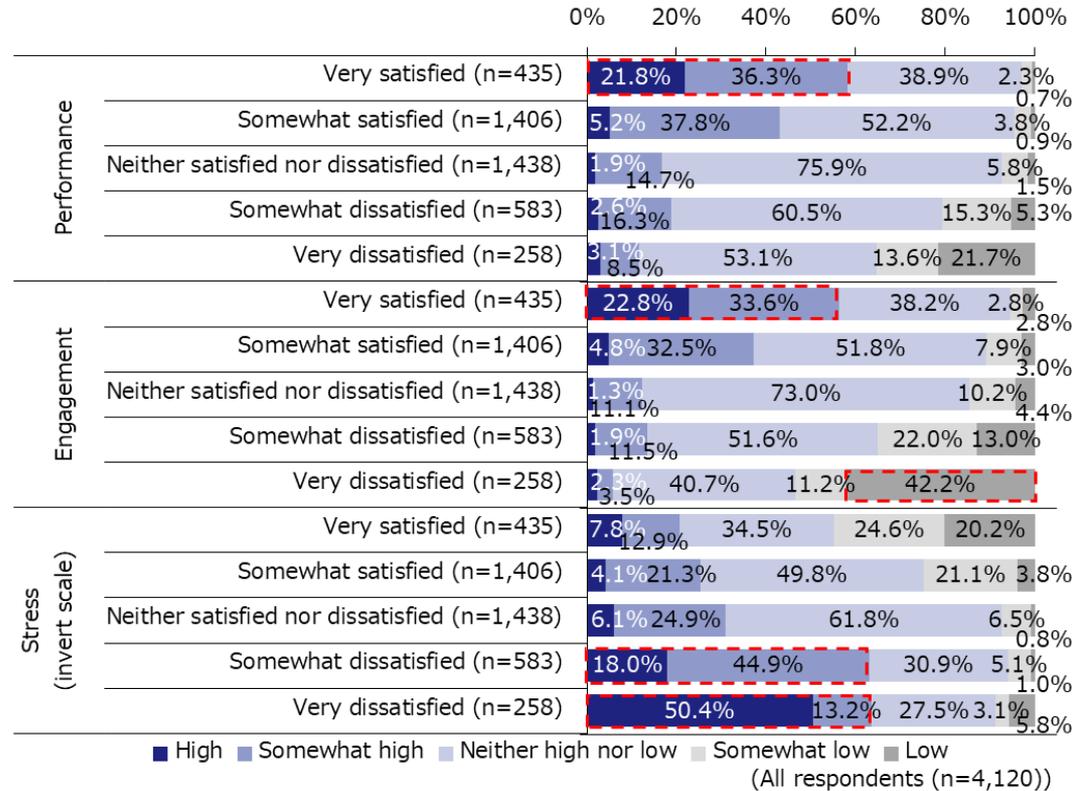
When we look at respondents' performance, engagement and stress, which we examined in Figure 3, by their level of satisfaction with their work styles (Figure 1), we can see that a higher level of satisfaction leads to a higher evaluation of all elements (Figure 4).

Approximately 60% of the "very satisfied" group of respondents replied that their performance was "(somewhat) high."

In terms of engagement, the majority of the "very satisfied" group replied that their engagement was "(somewhat) high." In contrast, more than 40% of the "very dissatisfied" group evaluated their engagement as "low."

As for stress, more than 60% of the "somewhat dissatisfied" and "very dissatisfied" groups each replied that stress was "(somewhat) high," indicating that stress levels are notably high among workers with low satisfaction with their work style. In particular, the majority of the "very dissatisfied" group evaluated their stress level as "high."

Figure 4: Current Performance, Engagement, Stress – By Satisfaction with Work Style



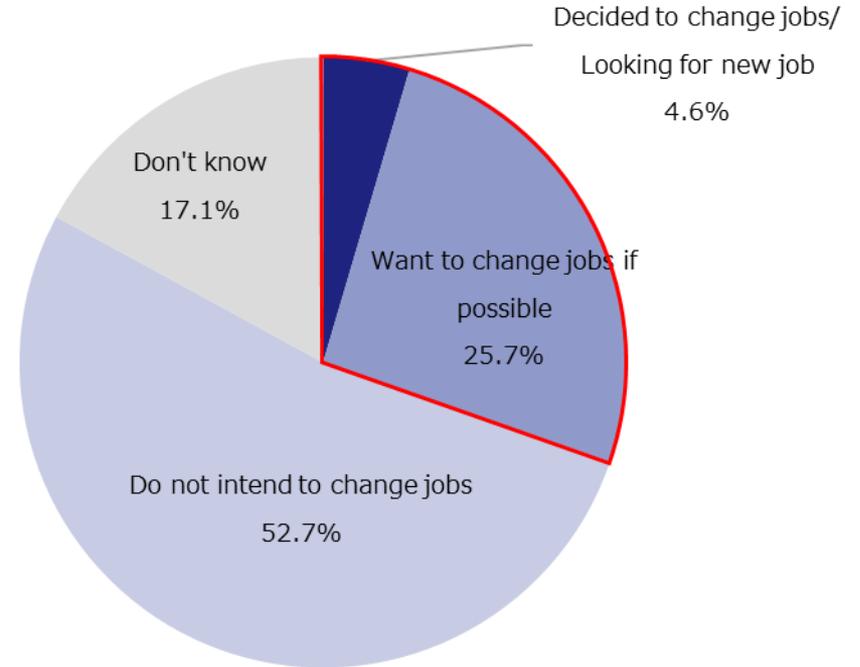
Approximately 30% of workers have the intention to change jobs

Figure 5 shows the intention of respondents to change jobs from their current employer.

It indicates that approximately 30% of workers have the intention to change jobs (the sum of “Decided to change jobs/Looking for new job” and “Want to change jobs if possible”).

Companies will have to consider initiatives to prevent the loss of talented personnel.

Figure 5: Intention to Change Jobs



(All respondents (n=4,120))

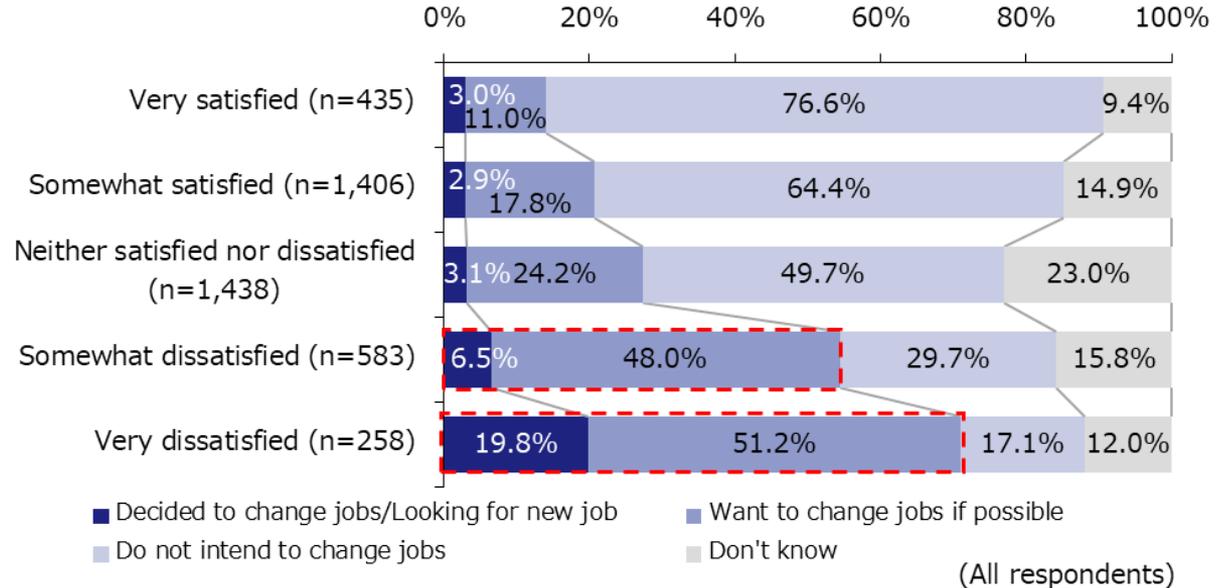
Workers with low satisfaction with work style more likely to have intention to change jobs

A comparison of the intention to change jobs by satisfaction with the work style (Figure 1) shows that the groups of dissatisfied respondents are more likely to have the intention to change jobs (Figure 6).

In particular, while only around 30% of the “neither satisfied nor dissatisfied” group have the intention to change jobs, the percentage rises to 54.5%, or more than half, among the “somewhat dissatisfied” group, indicating that the significant difference lies in dissatisfaction. When comparing the “somewhat dissatisfied” group and the “very dissatisfied” group, there is a difference of more than 10 percentage points in “Decided to change jobs/Looking for new job.”

These results suggest that resolving workers’ dissatisfaction and having them work with a high level of satisfaction will help prevent turnover and secure human resources.

Figure 6: Intention to Change Jobs – By Satisfaction with Work Style

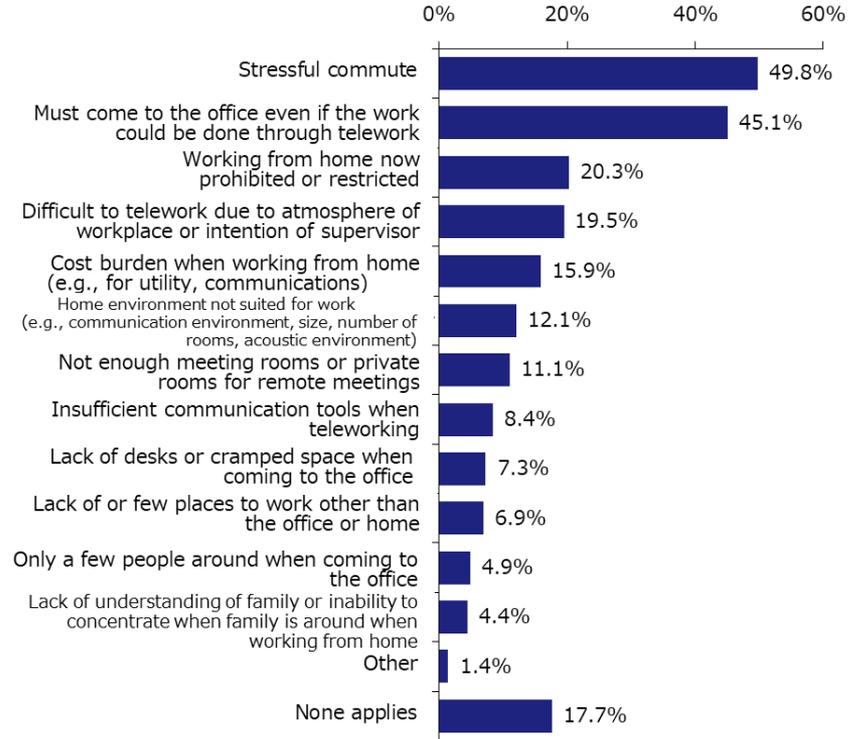


Workers dissatisfied with commute and being required to come to office for work that could be done through telework

Figure 7 shows the specific dissatisfactions and issues felt by workers who replied they were “(very/somewhat) dissatisfied” with their current work style.

The top replies were “Stressful commute” (49.8%) and “Must come to the office even if the work could be done through telework” (45.1%). These top two dissatisfactions stand out from the third-rank “Working from home now prohibited or restricted” (20.3%) and below.

Figure 7: Dissatisfaction or Issue with Current Work Style



(Workers who replied they were “(very/somewhat) dissatisfied” with their current work style (n=841); MA)

The ability of choosing where to work affects satisfaction with work style

We focused on the following four points on work styles and examined their correlation with respondents' satisfaction with their current work style (Figure 8).^{*1}

- (1) Dissatisfaction or issue with current work style
- (2) Whether the respondent comes to the office full time
- (3) Whether the respondent has discretion over where to work
- (4) Work style initiatives used or implemented

^{*1} The figure shows a sample of items with an absolute correlation factor of 0.1 or greater. See the end of the report for details of the items.

As a result, of respondents' dissatisfactions and issues, those related to the inability to telework freely, such as "Must come to the office even if the work could be done through telework," "Working from home now prohibited or restricted" and "Difficult to telework due to atmosphere of workplace or intention of supervisor," had a negative correlation with satisfaction. There was also a negative correlation with "Currently coming to the office full time" and a positive correlation with "Have discretion to choose where to work that day," suggesting that having the option to telework and the discretion to choose where to work affects satisfaction.

The necessity to telework is also evident from the negative correlation between "Stressful commute" and satisfaction. Providing a telework environment that alleviates commuting stress^{*2} would be effective in improving satisfaction. Enhancing peripheral measures including "mobile work," "chat tools for work" and work-from-home allowance" is also expected to improve worker satisfaction.

^{*2} The most popular benefit of teleworking among workers with telework experience in Figure 6 of *Greater Tokyo Office Worker Survey 2022* was "reduction in travel/commute time" (83.0%).

<https://www.xy-max.co.jp/english/research/images/pdf/20221130.pdf>

Figure 8: Correlation Factor with Satisfaction with Current Work Style

Items that correlate with satisfaction	Correlation factor
(1) Dissatisfaction or issue with current work style	
<u>Must come to the office even if the work could be done through telework</u>	-0.30 ***
<u>Working from home now prohibited or restricted</u>	-0.17 ***
<u>Difficult to telework due to atmosphere of workplace or intention of supervisor</u>	-0.16 ***
Stressful commute	-0.20 ***
(2) Whether coming to the office full time	
<u>Currently coming to the office full time (working in the regular office 100% of work hours)</u>	-0.24 ***
(3) Whether having discretion to choose where to work or not	
<u>Have discretion to choose where to work that day</u>	0.33 ***
(4) Work style initiatives used or implemented	
Mobile work*	0.19 ***
Work-from-home allowance (e.g., for supplies, utility costs)	0.17 ***
Flextime program	0.16 ***
Online conference tools	0.15 ***
Chat tools for work	0.13 ***
Skill improvement, self-learning, recurrent education provided/supported by employer	0.11 ***

*Mobile work: A work style that allows workers to work outside of their designated office in a similar network environment to the office anytime, anywhere using a smartphone, mobile PC or other device.

Note: Showing a sample of items with an absolute correlation factor of 0.1 or greater (***) $p < 0.001$

“Stressful commute” felt particularly high in Greater Tokyo and Osaka City

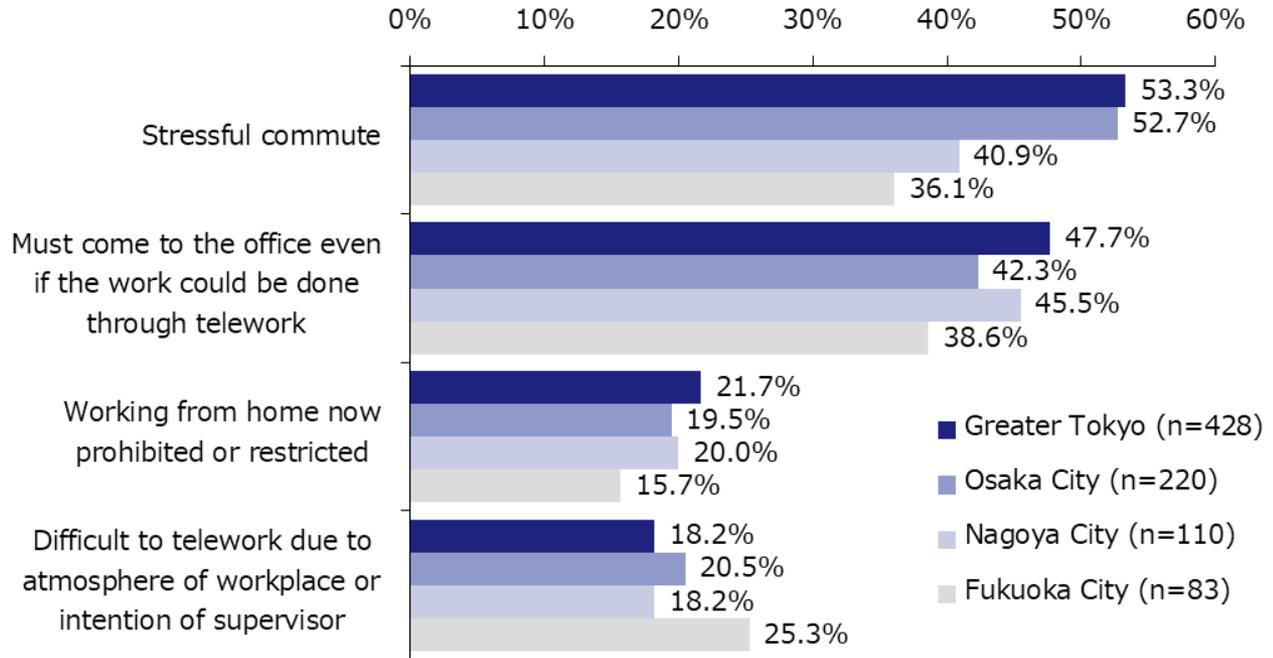
Of the specific dissatisfactions and issues felt by workers who were “(somewhat/very) dissatisfied” with their current work style, four items with high correlations, as shown in Figure 8, were extracted and examined by office location (Figure 9).

As a result, respondents in Greater Tokyo and Osaka City were more likely to answer “Stressful commute” than those in Nagoya City and Fukuoka City. A likely background to this is the stress from crowded trains and long commutes.*

*Reference: Figures 2–4 of *Metropolitan Areas Office Worker Survey 2023 (1) Work Style Reality and Needs*
https://www.xy-max.co.jp/english/research/images/pdf/20231213_1.pdf

We found little difference between the regions in other dissatisfactions related to telework. These are common issues not only in Greater Tokyo, where teleworking is more widespread, but also in regional cities.

Figure 9: Dissatisfaction or Issue with Current Work Style – By Office Location



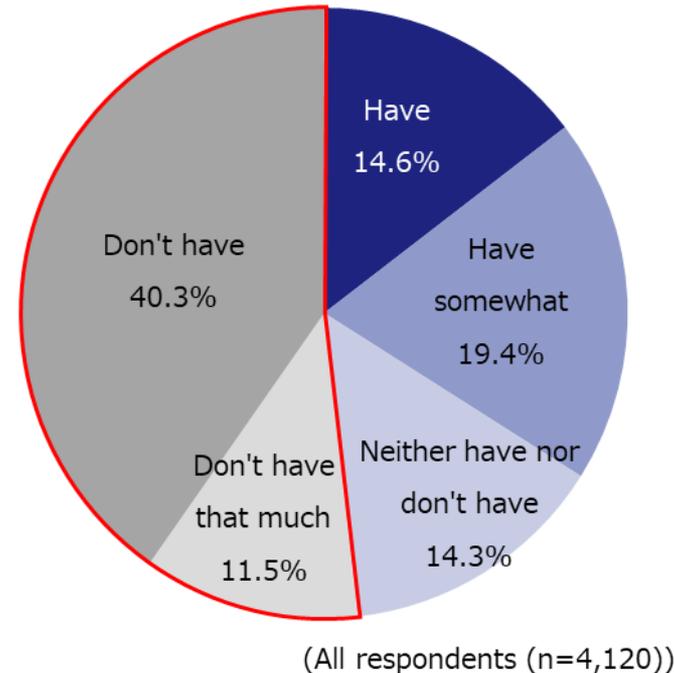
(Workers who replied they were “(very/somewhat) dissatisfied” with their current work style; MA; excerpt)

About half of workers “don’t have (that much)” discretion over where to work

In Figure 8, we confirmed a high correlation between whether the worker has the discretion to choose where to work that day and their satisfaction with their work style. In reality, however, more than half of the workers replied that they “don’t have (that much)” (51.8%) discretion over where to work (Figure 10).

Giving workers discretion over where to work would be effective in improving worker satisfaction and lead to higher evaluations of workers’ performance, engagement and stress (Figure 4).

Figure 10: Discretion over Where to Work

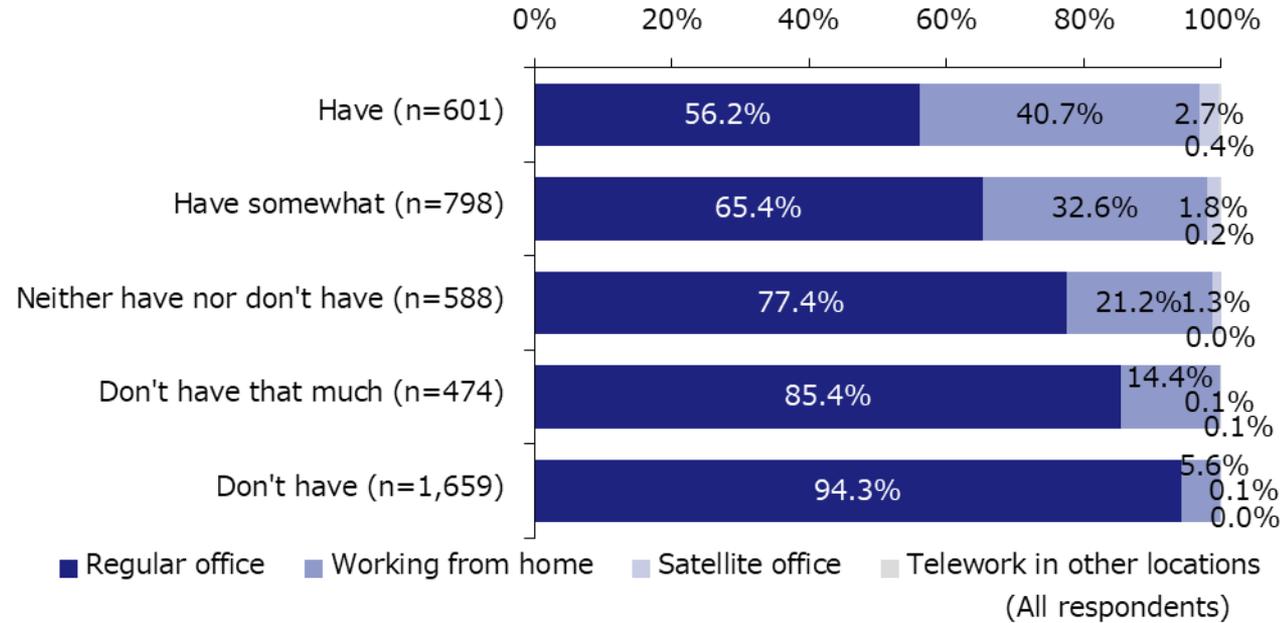


Workers with discretion over where to work spend more time teleworking

From here on we examine the reality of work styles by whether the respondent has discretion over where to work.

Figure 11 shows the time allocated to each place of work by the worker's discretionary status. It indicates that workers with discretion spend more time teleworking in a location other than their regular office.

Figure 11: Time Allocated to Each Place of Work – By Discretionary Status



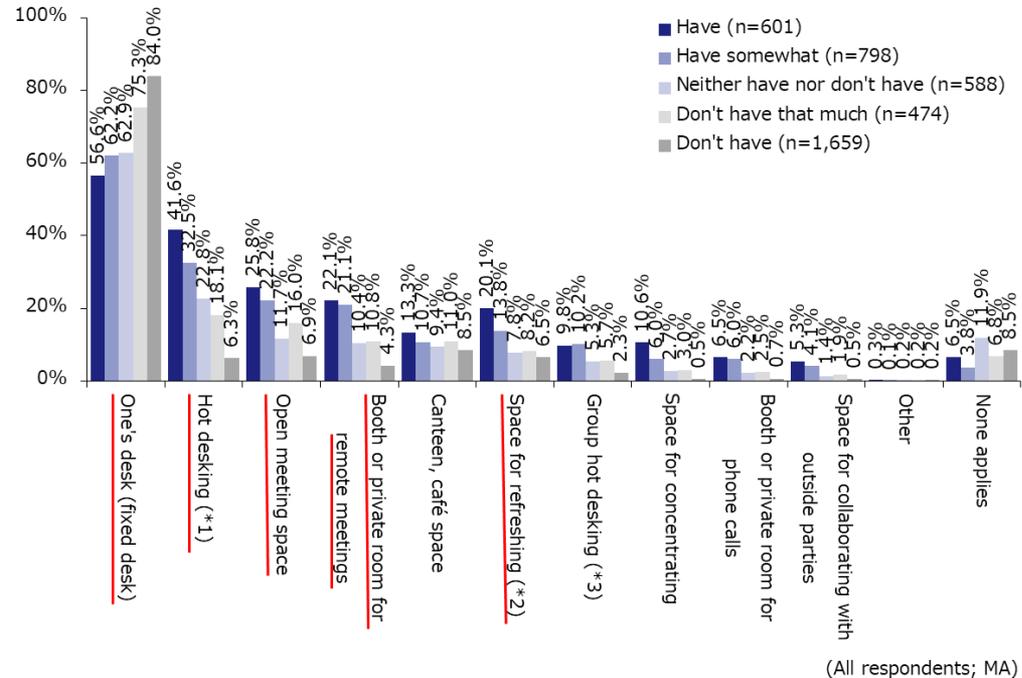
Workers with discretion over where to work choose where to work even in the office according to their purpose (ABW)

Here we examine the utilization of layouts within the office by discretionary status (Figure 12).

The figure shows that the groups of respondents who replied they have discretion over where to work have a lower percentage of fixed desks and a higher percentage of hot desking. This is likely affected by the fact that teleworking is more widespread among the groups of respondents with discretion over where to work, as we saw in Figure 11.

Workers with discretion over where to work tend to have higher utilization rates of all layouts except for fixed desks, including “open meeting space,” “booth or private room for remote meetings” and “space for refreshing,” indicating that they are choosing where to work even in the office according to their purpose. The ability to engage in Activity Based Working (ABW) probably also contributes to workers feeling they have discretion over where to work.

Figure 12: Utilization of Layouts within the Office – By Discretionary Status



(All respondents; MA)

*1 Hot desking: Desks that can be chosen by individuals freely

*2 Space for refreshing: Space provided to refresh the mind and body. It is not only used for resting, but also for improving health or activating communication among employees.

*3 Group hot desking: Desks within a designated area of the department or team, etc., that can be chosen by individuals freely

Workers with discretion over where to work have more places to telework

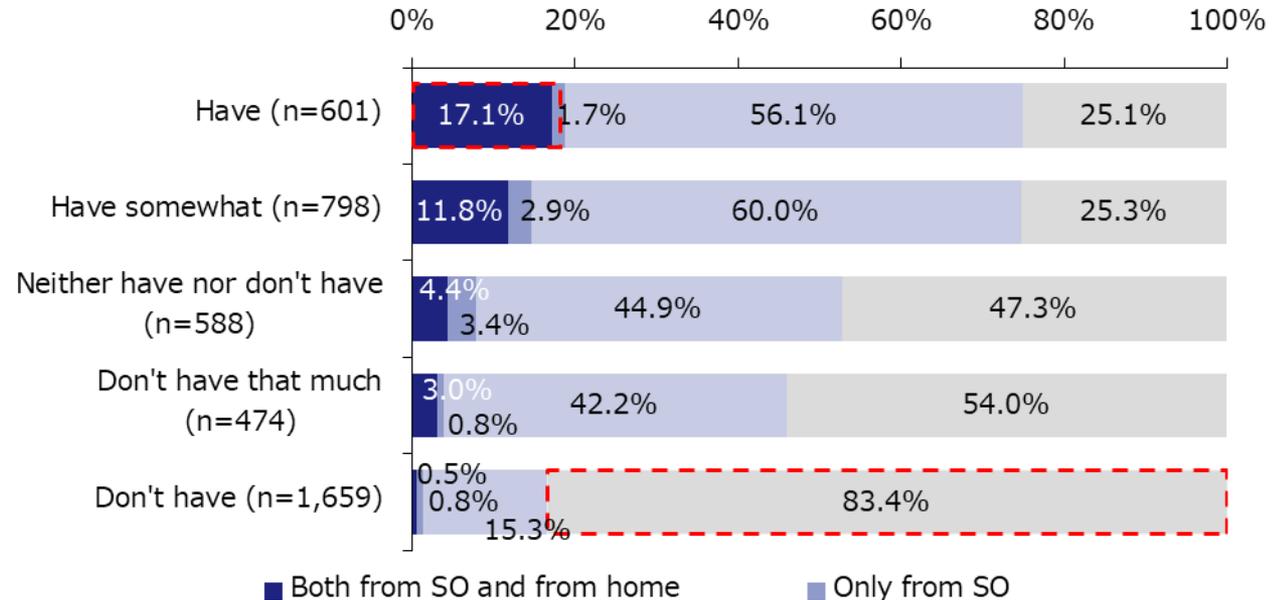
Lastly, we examined the use of a satellite office and working from home,* from among teleworking initiatives, and found that workers with discretion over where to work are more likely to implement any one of the telework initiatives (Figure 13).

* The answers were grouped into “Implementing both working from a satellite office and working from home,” “Working only from a satellite office,” “Working only from home” and “Neither.” The use of “Telework from other locations” is not relevant.

More than 80% of the group of workers with no discretion over where to work replied “Neither.” On the other hand, as much as about 20% with discretion used a satellite office (the sum of “Both from SO and from home” and “Only from SO”).

However, about 50% of the groups of workers who replied “Neither have nor don’t have” or “Don’t have that much” use some kind of initiative on the place for telework, which suggests that it is necessary to address workers’ needs not simply by providing initiatives, but also from the perspective of the available timings and the location and number of places for telework.

Figure 13: Implementation Rate of Initiatives on the Place for Telework – By Discretionary Status



*Satellite office: A collective term for workplaces provided for telework apart from the worker’s regular office or home.

Analysis details: Items for which correlation with satisfaction with current work style was examined in Figure 8 (23 items in total)

(1) Dissatisfaction/issue with current work style (12 items)	(3) Whether having discretion over where to work (1 item)
Must come to the office even if the work could be done through telework	Whether having the discretion to choose where to work that day (Using the results of a 5-grade evaluation of "Have, Have somewhat, Neither have nor don't have, Don't have")
Working from home now prohibited or restricted	
Difficult to telework due to atmosphere of workplace or intention of supervisor	
Stressful commute	(4) Work style initiatives using or implementing (9 items)
Only a few people around when coming to the office	Mobile work
Not enough meeting rooms or private rooms for remote meetings	Chat tools for work
Lack of desks or cramped space when coming to the office	Online conference tools
Home environment not suited for work (e.g., communication environment, size, number of rooms, acoustic environment)	Flextime program
Lack of understanding of family or inability to concentrate when family is around when working from home	Work-from-home allowance (e.g., for supplies, utility costs)
Cost burden when working from home (e.g., for utility, communications)	Side job allowed by employer
Insufficient communication tools when teleworking	Skill improvement, self-learning, recurrent education provided/supported by employer
Lack of or few places to work other than the office or home	Workation allowed by employer
(2) Whether coming to the office full time (1 item)	Live and work at two locations; move to and work from suburb or countryside
Whether currently coming to the office full time (working in the regular office 100% of work hours) (Using the results of percentage of time spent in each workplace)	