# **Research Articles and Essays**

## **Inclusion or Segregation?**

The Specialist Subsidiary System for Accessibility in Japanese Workplaces

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#### **Abstract**

In Japan, companies are encouraged by the government to create specialist subsidiaries which focus solely on the employment and inclusion of disabled people. This paper examines one such subsidiary, NTT Claruty, to discuss whether this system represents meaningful inclusion or is further segregating disabled people.

Keywords: disability, employment, Japan

## **Inclusion or Segregation?**

## The Specialist Subsidiary System for Accessibility in Japanese Workplaces

According to the Ministry of Health Labor and Welfare (2023d), 642,178 disabled people are currently working in Japan, out of over 9 million people who have some kind of disability (MHLW 2016), which equates to roughly 7%. In other words, for the other 93% of disabled people, the workplace is inaccessible, for any number of reasons. One solution endorsed by the Japanese government is the specialist subsidiary system; in it, companies create a subsidiary which focuses solely on the employment of disabled people. But how effective are these companies at promoting accessibility for disabled workers? Are these subsidiaries truly accessible? And does this constitute a step towards inclusion or further segregation of disabled people? To answer these questions, this paper will discuss one example of such subsidiaries as a case study, NTT Claruty, and analyze its usage of assistive technologies and techniques for workplace inclusion. As every company's approach is very different, it is hard to generalize and say whether all specialist subsidiaries are inclusive of or segregating disabled workers. Additionally, it goes without saying that all disabled people are different, and disabled people's support requirements are constantly changing. What is inclusive for one person might be seen as segregation by another. However, this paper will argue that having a variety of options available for disabled people in the workplace is positive, and that companies should utilize these subsidiaries to learn from disabled people, including how to make the whole company accessible as well as about what needs to change.

### **Employment of Disabled People in Japan**

First, it is important to highlight that the working landscape in Japan has changed a

great deal in the past few decades; the main example of this being that there are a lot more people working in nonregular employment. Nonregular employment, such as part-time work or contract jobs, have a lot less security, lower pay, less benefits, and so on. This category of 'nonregular employees' is where a large proportion of marginalized workers, including disabled workers, is situated. On average, roughly 51% of disabled workers are nonregular employees (MHLW 2019), compared to roughly 36% of the overall workforce in Japan (MHLW 2023a).

The Japanese government has a policy, introduced in 2013 (Japan Labor Issues 2018), to promote disabled employment which states the minimum employment ratio of disabled people. Currently, the minimum percentage of the workforce that must be disabled employees is 2.3% for private companies, although this is being raised in the next 5 years to 2.7% (MHLW 2023b). The current average actual employment rates show that there is an upwards trend in the number of disabled people in the workplace. The 2023 average was 2.33% (MHLW 2023d), which was a record high in terms of the proportion of disabled people in the workplace, and in terms of the actual number of disabled people in employment.

Although this paints a positive picture, the continuous employment rate paints a very different one. In a study in 2017, the National Institute of Vocational Rehabilitation found that between 20-40% of disabled people quit their job within a year. In Japan, this is uncommon mostly due to the lingering expectation that you will be loyal to your company, a holdover from the days of lifetime employment during the post-war economic boom (cf. Tanaka 1981). The closest equivalent survey that currently exists is a report by the Japanese Nursing Association (2023) which states that in 2021, the percentage of newly hired nurses who left their roles in their first year was 10.3%, the highest it had been since 2005, a statistic the Japanese Nursing Association attribute in large part to the coronavirus pandemic.

Although the yearly staff turnover percentage will certainly vary between industries, this demonstrates how extraordinarily high the turnover of disabled staff is.

A study by the Ministry for Health Labor and Welfare in 2017, the same year as the NIVR study, reported that the most common reasons disabled people cited for leaving their jobs were the atmosphere at work, relationships with their co-workers and/or their boss, dissatisfaction with their wages and/or their working conditions, dissatisfaction with the content of their work, their illness got worse, they tired too easily, and insufficient consideration from their company.

#### **Specialist Subsidiaries**

To address some of these issues and to promote better inclusion for disabled employees, the government incentivizes the creation of 'specialist child companies,' or 'special subsidiaries.' This system was first created in 1975 and fully put into place in 1988 (MHLW 2023c). Any company can make one of these subsidiaries, but they need to meet the following requirements to receive official certification from the Ministry of Health Labor and Welfare (n.d.):

- 1. There must be a close personnel relationship between parent company and subsidiary.
- 2. There must be more than 5 disabled employees, or a total proportion of disabled employees of over 20%.
- 3. A minimum of 30% of disabled employees must have what are classified as "severe disabilities."
- 4. There must be appropriate adjustments available to make the workplace accessible to disabled workers, such as adaptations to the physical environment or assigning fulltime support staff.

5. It must be possible for disabled employees to be promoted, and they must also have job security.

As of 2023, there are 598 such specialist child companies, situated across Japan in 46 of the 47 prefectures, with the majority being in proximity to large cities such as Tokyo, Kanagawa, and Osaka (MHLW 2023c). There are a wide range of industries represented here, with everything from 7 Eleven to Sony, to banking and finance, to power companies and more.

For this paper, I will introduce one of the specialist subsidiaries I visited to discuss their self-described purpose and goals, what the workplace was like, and the experiences of the disabled people who worked there. By the end of this paper, I will pose the question as to whether companies like these constitute steps towards inclusion, or whether this is just a different form of segregation.

## **NTT Claruty**

NTT Claruty is a specialist subsidiary company whose parent company is NTT, or Nippon Telegraph and Telephone, a telecommunications company. NTT Claruty's headquarters is in Musashino, Tokyo, an hour from Tokyo Station by public transport.

Their webpage greets you with a big message which says, roughly translated "through the advancement of normalization and the expansion of universal design, towards the realization of a society which is friendly to all" (NTT Claruty n.d.). Their aims are to promote the active participation of disabled people in the workplace, beyond a mere 'compliance' approach. This is reflected in NTT Claruty's vision, which states they are "working to contribute to the realization of a prosperous society without barriers, through the work satisfaction and brilliance of every individual employee" (ibid.). In other words, NTT Claruty

looks at every individual employee's strengths and goals, and works to help each individual realize those goals whilst assisting with the removal of barriers they encounter.

To achieve this vision, NTT Claruty (n.d.) has 3 pillars to their approach:

- 1. Providing a reliable service to their customers.
- 2. Creating a society where disabled people can work comfortably.
- Building relationships between employees who accommodate each other's disabilities.

## Workplace

When I visited NTT Claruty's headquarters, I was greeted very warmly by the staff, and the building itself was very inviting as well. The entire premises seems to have been built with accessibility in mind; for example, the elevators and corridors were very wide, making it easy for mobility aid users to navigate. All signage was in high contrast colors and was written in Japanese in a large and easily readable font, and in Braille.

The main offices were standard cubicles, but with wide spaces in between, instead of the typical layout, with plenty of room. At the corners of any intersecting paths, there were domed mirrors on the ceilings so that wheelchair users and shorter people could easily see around corners without bumping into anyone. Additionally, the flooring was different at the doorways and corners so that blind and visually impaired people could feel where the doorway is more easily; for example, most of the flooring was smooth, but there would be slightly varied or raised textures at doorways to indicate their location. Most desks had electronic adjustable heights, so that wheelchair users can work at desks comfortably with the height which matches their own wheelchair, as this varies. There was a range of chairs available to staff, some with wheels and some without; the reason for this is that some

wheelchair users find it easier to safely transfer into chairs with wheels, but others, alongside those with balance issues, may need a chair without wheels for stability. This office in itself reflects the goals of the company and would be an excellent template for other office-based companies to follow.

Inside the building, there is an in-house massage service staffed by 14 physical therapists who are disabled, the majority of whom are blind and visually impaired. On another floor, there is a cafeteria which is, of course, accessible, and there is a clear menu and organization system on a board outside of the cafeteria for employees to check, in high contrast colors and with braille.

Staff at NTT Claruty broadly work on web accessibility training for outside companies; supporting the recruitment of disabled people; on office work, planning, and inside a call center on behalf of other subsidiaries in the NTT Group; digitizing documents; and providing training on understanding disability, led by disabled people. They also run a webpage called *YuYuYu*, which publishes articles relating to every part of disabled life, including work and support for entering the workplace, whether the latest attractions and exhibitions are accessible, detailed recipes with descriptions of how the recipes' disabled authors used different assistive technology or techniques to suit their own impairments, and information about where to sign up to a parasport. This portal is extremely useful for disabled people living in Japan, and with the adapted recipes, internationally, and it is exciting to see a platform which is created and maintained by disabled people, with disabled authors writing articles full of useful information and tips for disabled peers.

## **Technology**

I interviewed the management staff at NTT Claruty who shared their system for

furthering inclusion in the workplace. It is very simple at its core: they listen to their disabled employees. They have regular meetings with each individual disabled employee, to discuss their experiences working there, and what would make the workplace even more accessible for them. As a result, they have a spreadsheet full of different technologies which have been requested by employees, which they then work on implementing.

Some of these technologies are simple, like those previously mentioned: adjustable height desks, different types of chairs, carpet and flooring changes, etc. Another example of a simple adjustment is whiteboards. Having notebooks and whiteboards in meetings is a cheap and easy way to aid communication, for Deaf and hard of hearing folks, but also for neurodiverse people and others who struggle with speech and listening who find writing easier. Another option here is communication cards, which are also very easy to make or cheap to purchase, but these allow people to communicate using flashcards or by pointing to a board.

Some are more involved and specific, such as braille keyboards, bone conduction speakers, a loop system which converts voices into subtitles, and a portable device called See-Through Captions, which has a clear screen so that you can look at the person talking while subtitles appear in front of them, allowing the user to look at both, among many others.

Most of these 'technologies' are things which would be useful to everyone, disabled and nondisabled, and whilst some are more specific to certain types of impairments, implementing these technologies as NTT Claruty has been an excellent way to make the workplace more inclusive for everyone.

### **Inclusion or Segregation?**

This leaves us with a question I raised at the beginning of this paper; how effective is

this? And by extension, is this inclusion, or does this constitute another kind of segregation?

In the case of NTT specifically, Claruty's management stated that they believe it would be better not to have specialist subsidiaries at all, i.e., that in an ideal world, they would no longer be necessary because everywhere would be accessible. They themselves feel that such subsidiaries create a 'difference' between the main company employees and them, which could work to further 'other' disabled folks.

On the other hand, it might be a form of inclusion for disabled folks who are nervous about entering or re-entering the workplace. Knowing that the company you are interviewing for or being hired at is a specialist subsidiary specifically focusing on accessibility, and that you will be surrounded by disabled peers, might be exactly what some disabled people need. In this case, the specialist subsidiary becomes a kind of safe space to work in, as free from ableist discrimination as possible.

Ultimately, it is difficult to say whether the concept of specialist subsidiaries itself represents inclusion or exclusion, as every company's approach internally is different. Not all specialist subsidiaries operate in the way that NTT Claruty does, promoting a culture of inclusion and mutual respect and understanding. Additionally, every disabled person has different and constantly changing needs. And like anyone else, disabled people have the right to choose their profession, so not all roles will be suitable for everyone. Overall, companies need to reflect the needs of disabled staff, and specialist subsidiaries need to model this and act as a blueprint for their parent company to learn from, so that all companies can become more accessible over time.

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