

Survey: Big firms to hire more new grads

The Yomiuri Shimbun

Could the warm breezes of spring be thawing the glacial employment market for students graduating in 2012? According to a Yomiuri Shimbun poll of major companies, the answer appears to be "yes."

Compared to last year, more than twice the number of big-name firms are planning to increase new grad hires next year, according to the survey. Questionnaires were sent to 105 leading companies in 18 fields from April 19 to May 2.

The findings tallied Wednesday showed 33 firms plan to hire more high school, vocational school, technical college, two-year college, university and graduate school students graduating next spring compared to graduates in the spring of 2011.

This figure is triple the 11 companies that said they plan to cut back on hiring, according to the poll.

While companies planning to employ about the same numbers of next spring's graduates as those this spring accounted for about half the companies polled at 49, the survey shows an improvement from the hiring slump observed in the past few years.

Twelve firms, or about 10 percent, replied they have yet to decide on employment plans because of uncertainties about business performance caused by the March 11 earthquake and tsunami.

Although companies could reconsider their employment quotas in the coming months, the 33 firms planning to increase new grad hires is more than double the 14 that were planning on doing so in a Yomiuri survey of 100 major companies in March 2010. Improved economic situations overseas, especially in emerging economies, is believed to be behind the pickup in hiring.

Meanwhile, a substantial majority of the firms surveyed said they would try to ensure graduates from disaster-hit areas will not be disadvantaged in the job market.

Sixty-three firms said they would postpone nationwide job interviews and testing for next spring's graduates, while 27 said they would delay the exams and interviews for prospective graduates from disaster-stricken areas, meaning about 90

percent of the companies polled would take the disaster into account in scheduling their hiring processes.

Five companies said they planned to hire graduates who this spring had their job offers rescinded in the wake of the earthquake and tsunami.

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Hike in new hires aimed at boosting global business

Major companies feel it is imperative to recruit manpower capable of dealing with the challenges they face internationally, particularly as global competitiveness is intensifying, analysts said after studying a Yomiuri Shimbun survey.

However, whether the moves to hire more graduates next spring will prove adequate will hinge on the prospects of recovery from the March 11 earthquake and tsunami and the crisis at Fukushima No. 1 nuclear power plant, they said.

Of 105 major companies surveyed, 74 said they plan to hire a total of 30,000 graduates next spring, an increase of about 3 percent over the number of those hired this spring.

"As our business outlook has taken a turn for the better, the number of grads we'll hire will return to the level before the Lehman Brothers shock," said an official of Mitsubishi Chemical Holdings Co. in reference to the collapse of the U.S. financial services firm in the autumn of 2008.

The increase in the hiring of new grads next spring will be particularly noticeable in the auto industry. Industry sources said this increase was to make up for shortages of technical personnel and employees in charge of expanding overseas business operations.

Carmakers are keen to employ young personnel with an interest in developing energy-efficient vehicles and strengthening business activities abroad, particularly in emerging economies, the sources said.

A number of companies in the nonmanufacturing sector also plan to go on the offensive internationally in light of dwindling prospects of growth in the domestic market, a major commercial bank official said.

However, a delay in the recovery of supply chains or distribution networks could exert pressure on business activities and might force companies to rethink their

plans to hire more personnel, the analysts said.

In addition, in areas served by Tokyo Electric Power Co., operator of the Fukushima nuclear complex, electricity supply shortages are bound to be protracted, threatening to impose restrictions on the production and marketing activities of companies.

Even firms that have decided to boost their hiring of graduates next spring might find it inevitable to reconsider their hiring plans depending on how the power shortages affect them, an official of a giant electronics firm said.

Meanwhile, the number of companies planning to postpone the recruiting of new grads from areas hit by the earthquake and tsunami stood at 90 of the 105 firms surveyed.

Of them, 33 percent said they would postpone the start of recruitment, which usually begins in April, to May or later, while 36 percent said they will start recruiting in June or later.

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