

WorkForce Software is Making Compliance Easy in Japan



Work Style Reform Legislation – Are You Confidently Compliant?

Work Style Reform Legislation, a major overhaul of Japan's Labour Standards Act of 1947 was passed in 2018. These sweeping changes are meant to encourage a work-life balance by reducing overtime limits, supporting more flexible work arrangements, and promoting fair and equitable treatment in the workplace. The majority of amendments went into effect in April 2019, and non-compliance could result in fines of up 300,000 Yen or 6 months imprisonment. Is your organisation confidently compliant?

WorkForce Software Simplifies Compliance With Everchanging Workplace Rules

Regulatory compliance is complex enough, and labour agreements and company policies make it more challenging by introducing different or more generous versions of the rules. The potential variations are endless, and organisations are often forced to leverage workarounds and manual processes for rules that fall outside of commonly known practices.

At WorkForce Software, our cloud-based workforce management solutions were designed to be future ready to help organisations address compliance concerns confidently – now and into the future – digitising time and labour processes, automating calculations, and providing insight into potential violations even before they occur.

With A Future-Ready Solution The Ease Of Parameters + The Power Of Rules

Like many workforce management solutions in the market, WorkForce Software comes standard with parameterised best practices to support rapid deployment and automation of commonly known requirements including national and local wage and hour laws, collective bargaining agreements, absence regulations, country/region-specific localisations, and frequently seen labour agreement premiums and policies.

We also recognise most of our customers don't fit in a box and their unique and complex needs cannot always be anticipated or addressed strictly through parameters. In addition, we know constraining them to product release cycles and prior roadmap commitments when new requirements must be met is not an option.

By combining our parameter-based solution with our unique rules engine, the solution can handle even the most complex requirements through configuration, not customisation. The WorkForce Suite was designed from its first release two decades ago to address the demanding needs of a global enterprise without the trappings of a bespoke system or cumbersome and inefficient workarounds by providing both a parameter-based approach and rules-based approach to future proof your solution against changes yet to come.

Comply with Japanese Legal Requirements with Ease

WorkForce Software’s unique rules engine and parameter-based solution help organisations simplify compliance with labour laws in Japan. The key labour laws that our customers simplify with WorkForce Software are listed below:

The Rule	Rule Summary
Standard Working Hours	An employer shall not have an employee work more than 8 hours per day and 40 hours per week, excluding rest periods. Employees must be granted at least one day off per week, or four days off in any four week-period.
Flexible Working Hours	Upon written agreement, employers can allow employees to work flexible hours provided the average working hours do not exceed Standard Working Hours during the settlement period (up to 3 months)
Caps on Overtime Work	April 2019 – Overtime work is capped at 45 hours per month and 360 per year except for temporary special circumstances then the cap can be increased to up to 100 hours per month and 720 hours per year for large enterprises provided average hours of overtime work and work on days off over a 2- to 6-month period do not exceed 80 hours per month. April 2020 – same rules apply for small medium businesses.
Increased Wages for Overtime Work, Work on Days Off	If an employee works extended hours on a working day or works on a day off, the employee must earn an additional percentage of their normal wage per working hour or working day: <ul style="list-style-type: none"> Work in excess of standard working hours – At least 25% Work on statutory day off – At least 35% Overtime work in excess of 60 hours per month – At least 50% See Increased Wages for Night Work on for details related to working overtime between 10pm and 5am (next day).
Increased Wages for Night Work	If an employee’s work hours overlap the hours between 10pm and 5am, the employee must be paid at a rate no less than 25 percent over the normal wage per working hour.
Daily Breaks	Employees are entitled to at least a 45-minute break for six hours of work and a one-hour break for eight hours of work.
Rest Between Shifts	Employers shall ensure employees receive a rest period between the end of one workday and the start of the next.
Public Holidays	An employee shall be granted a paid day off on legal and company holidays unless an alternative agreement is reached between the employer and employees
Substitute Holiday and Compensatory Day Off	Employees may request to work on a holiday and take a substitute day off. The substitute day is requested as a Compensatory day off prior to a legal holiday, and if approved, the employee can request a ‘Compensatory Day Off on or after the holiday is worked. Employees who fail to take the Compensatory time off within a defined period of time (usually one week or one month), the employee is eligible for a premium of 25% for a company holiday, and 35% for a legal holiday.
“Highly Skilled” Professional	Employees designated as “Highly Skilled Professionals” are exempt from work hour regulations.
Annual Paid Holiday	Employers must grant 10 days’ paid leave to employees that worked for six consecutive months from the time of hiring. After 6 months, annual leave is increased based on employee’s length of service. Employees earning 10 or more days, must use a minimum of 5 days per year of annual leave.



TIME &
ATTENDANCE



ABSENCE &
LEAVE



FORECASTING &
SCHEDULING



REPORTING &
ANALYTICS

The WorkForce Suite Frequently Asked Questions

Q: What if a new law or customer-specific rule goes into effect?

A: As customer's identify new requirements, WorkForce Software will evaluate the new requirement for inclusion in the roadmap as a template or if it should be addressed with the rules-based engine. The following criteria is evaluated:

- Whether the rule broadly applies to customers and prospects
- Whether an existing template can cover the requirement.
- Effective dates of the new law

Q: As new requirements or changes to existing requirements come to light, how do we ensure the correct version is applied at the right time?

A: Policies are effective dated. Future changes can be set-up in advance and will be automatically applied as of the effective date. For retroactive changes, WorkForce Software can automatically calculate the delta between the previous rules and the new rules.

Q: For new laws, will they be automatically pushed to customers?

A: No. As a best practice, we recommend the customer evaluate which employee groups are impacted, if any. There is often variability in how a rule can be applied, and organisations need to implement the rule based on the options that best meet their needs.