

***Human Resource Management Software Market in Japan:
Key Research Findings 2011***

➤ **Research Outline**

Yano Research Institute has conducted a study on the human resource management software market in Japan with following conditions.

1. Research period: December 2010 to March 2011
2. Research targets: Human resource management package vendors in Japan (15 companies)
3. Research methodologies: Face-to-face interviews

DEFINITION of HRM (Human Resource Management) Package

The HRM package in this research refers to package software that supports corporate human resource management, including the functions of “human resource administration,” “payroll administration,” “working hour administration,” “approval and workflow,” “personnel evaluation” and “staff education.” This includes both ERP package that includes these functions in the module and dedicated package of HRM function.

➤ **Key Findings**

- ◆ **The 2010 HRM package market had a v-shaped recovery increasing by 11.6% year-on-year.**

The HRM package market increased to 26,250 million yen in 2010, up 11.6 percent from the previous year. The 2009 market declined due to the shockwaves from the Lehman Brothers' collapse. However, the market had a v-shaped recovery in 2010. This was owing to the good sales of working hour administration system after the enforcement of the revised Labor Standards Act in April 2010, and the recovery of replacement demands due to the recovery of economy.

- ◆ **The 2011 market is anticipated to decrease by 1.7% year-on-year influenced by the earthquake.**

The 2011 market size of HRM package is forecast to be 25.8 billion yen, down 1.7 percent from the previous year. Slow down of growth that has risen in 2010 can not be avoided because of East Japan Great Earthquake. Under the conditions that many companies face worse results due to the earthquake and secondary influences, HRM is regarded as unnecessary and non-urgent and investments on HRM may be reduced.

- ◆ **Positive elements are the expansion in demands of working hour administration system and for global human resource management.**

The working hour administration system market is expected to continue to be steady and healthy. To strengthen compliance and reduce costs, needs for strict management of employees' working hours are rising, which would promote introduction and replacement of working hour administration system. In addition, as corporate advancements to overseas are accelerated, human resource administration system is being paid attention to manage personnel on global basis.

➤ **Report format:**

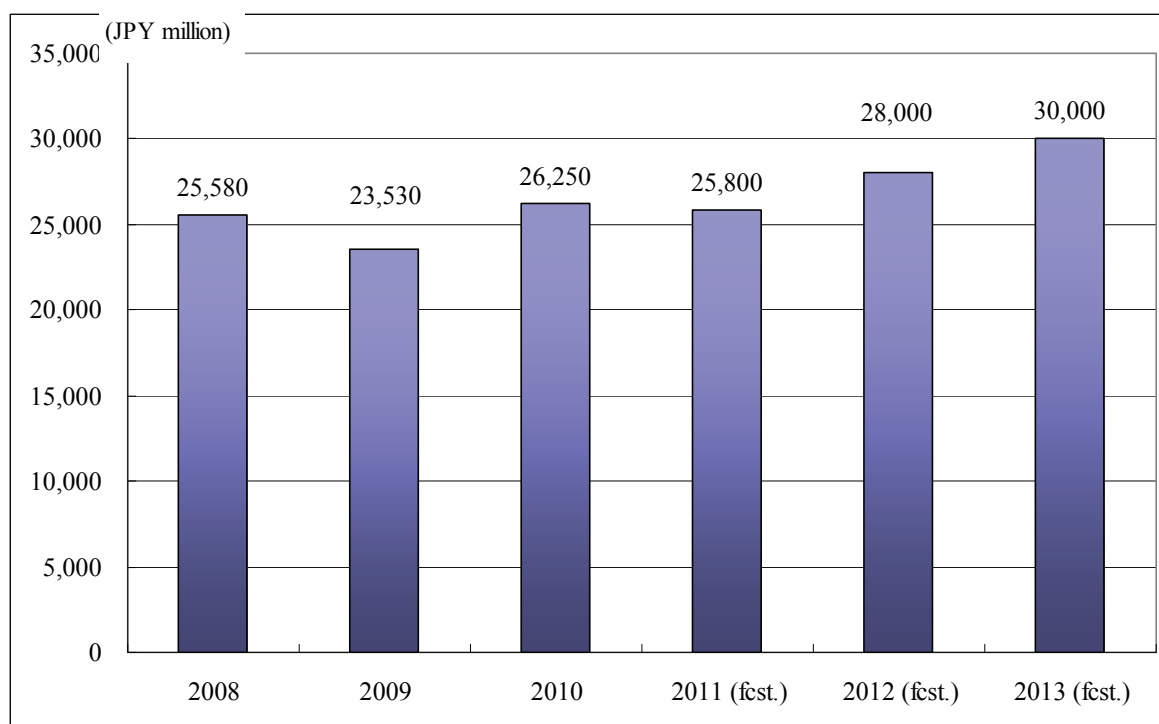
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Price: 150,000 yen (7,500 yen of consumption tax will be additionally charged for sales in Japan.)

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[Market Size of HRM Package Licenses]

(JPY million)

	2008	2009	2010	2011 (fcst.)	2012 (fcst.)	2013 (fcst.)
Sales of HRM Licenses	25,580	23,530	26,250	25,800	28,000	30,000
Y/Y	--	92.0%	111.6%	98.3%	108.5%	107.1%
CAGR		-8.00%	1.30%	0.30%	2.30%	3.20%



Estimated by Yano Research Institute Ltd.

Note:

1. Based on value of selling price at the timing of delivery to end-users.
2. CAGR is annual average growth rate since 2008.