

# Japan's New Systems for Structural Change

Japanese companies are combining technology, data and human expertise to address labor shortages, aging communities and rising operational demands. BY DANIEL DE BOMFORD AND BERNARD THOMPSON

**“Japan Post Insurance entered a new phase in 2026 with the start of its midterm management plan, positioning the next three years as a period of ‘growth and challenge’ as it advances its business operations.”**

**Kunio Tanigaki, Former President, CEO and Representative Executive Officer, Japan Post Insurance Co., Ltd.**



At dawn, Japan's factories, offices, hospitals and homes begin to move in a choreography that is becoming harder to sustain. Machines start, trains fill, lights switch on, care workers begin their rounds and engineers open the systems that keep modern life running. Beneath that rhythm, the ground shifts as structural challenges shake the foundations. Fewer workers must support more complex operations. Older communities need safer and more responsive services. The pressures are deep and connected. A shrinking working-age population is forcing companies to rethink how skills are developed, transferred and retained. Aging communities are changing the meaning of safety, care and prevention. Rising energy costs and sustainability demands are pushing businesses to make buildings, factories and supply chains more efficient. At the same time, AI and automation are raising expectations for speed and productivity, even as many organizations still depend on legacy systems and hard-won human knowledge. Corporate evolution in this environment is about redesigning operations so technology supports people and makes scarce expertise more widely available. Japan is developing a version of DX that is grounded in operations, where technology is important but not treated as an end in itself. It becomes useful when it helps engineers build better products, factories retain skills, facilities use energy more efficiently, families and businesses feel safer and employers create sustainable teams. Japanese companies are redesigning the systems behind work, safety and everyday life for a society under pressure. As digital transformation (DX) accelerates across Japan and Asia, Findy Inc. enables the visibility needed to support this enormous undertaking. It's the human engine behind the development of a digital society. CEO Yuichiro Yamada described the company's role as making engineering activity and productivity visible. Monitoring AI usage and productivity, for example, is important because usage varies between roles. By identifying patterns, businesses can anticipate and reduce the impact of disruptions. “The platform helps highlight these underlying factors so that companies can take more effective action,” he said. OMRON Corporation's answer to Japan's structural pressures begins at the Gemba, the real place where value is created. For the company, that means factory floors, homes and hospitals, where its control equipment and medical devices sit close to daily operations and capture data from the front line. President and CEO Junta Tsujinaga sees that proximity as a strategic asset at a time when manufacturers face labor shortages,

skill gaps, supply chain risk and the limits of legacy systems. OMRON is using that position to shift from a hardware-centered business toward what Tsujinaga calls a Gemba DX company, turning device data into practical solutions for customers and society. The goal is to make manufacturing more resilient and more accessible. “Gemba is a Japanese term which means the real place where the value creation happens,” Tsujinaga said. “For OMRON, Gemba is the factory floor where our control equipment is deployed, as well as houses and hospitals where people use our healthcare devices.” In factories, the company combines data from sensors and PLCs with the tacit knowledge of skilled workers captured by AI.

That allows manufacturers to simplify workflows for less experienced employees, identify bottlenecks and automate tasks where appropriate. In this sense, OMRON's technology supports people rather than replacing them, helping to democratize manufacturing skills and create a more level playing field for workers. This approach also reflects OMRON's broader push to connect operational data with management decisions. Its partnership with Cognizant integrates shop-floor data with information such as demand forecasts and order status, giving manufacturers a clearer view of production constraints and improvement opportunities. In one case, a global automaker reduced the number of processes by about 50 percent by revising production lines through IT-OT integration. OMRON's DX1 Dataflow Controller adds another practical layer because it can be retrofitted onto existing lines, works with equipment from other manufacturers and requires no advanced programming skills. The same logic extends beyond factories. By analyzing vital data from AI-powered blood pressure monitors and linking it with broader health data, OMRON aims to predict future health risks and support preventive care. In manufacturing and health care alike, the company's strategy shows how Japan's DX is evolving: data becomes valuable when it helps people act earlier, transfer scarce expertise and solve problems where they actually occur. In the physical world, businesses are entering this new labor paradigm, and having the right partner is essential. Known for its broad range of household appliances, IRIS OHYAMA Inc. is applying its “user-first” philosophy to its robotics business.

“We place a strong emphasis on consulting and helping customers adapt their workflows,” President Akihiro Ohyama said. Rather than replac-

**“What matters most is turning ideas into solutions that genuinely improve people's lives.”**

**Akihiro Ohyama**  
Representative Director  
and President,  
IRIS OHYAMA Inc.



**“For OMRON, Gemba is the factory floor where our control equipment is deployed as well as houses and hospitals where people use our healthcare devices.”**

**Junta Tsujinaga, President and CEO, OMRON Corporation**



he said. SECOM Co., Ltd. brings this same idea into the infrastructure of safety. Founded as Japan's first security company, it built a model that combines technology, monitoring and human response to provide security at national scale. President and Representative Director Yasuyuki Yoshida said SECOM's future lies in moving from reactive security to proactive protection, using wearables, sensors and connected systems to detect risk earlier. “Proactive security detects early signs and intervenes before damage happens,” he said. “By using wearable devices, we can identify potential risks and take action early, preventing incidents altogether.” Japan Post Insurance brings the same systems thinking to financial security and local communities. With roots in 1916 and a network of about 20,000 post offices, it remains part of Japan's social infrastructure. “Japan Post Insurance entered a new phase in 2026 with the start of its midterm management plan, positioning the next three years

ing labor; robotics frees up human labor for tasks less suited to robots. “We work with customers to identify those opportunities and help them redesign their operations,”

as a period of ‘growth and challenge’ as it advances its business operations,” Former President, CEO and Representative Executive Officer Kunio Tanigaki said. The organization combines trusted local service, digital procedures and impact investing to support communities and future generations. Technosmile Inc. addresses the labor side of Japan's transformation. As companies face structural workforce shortages, its model combines overseas recruitment, Japanese-language education, technical training and post-arrival support to help global talent succeed in Japan. Representative Director, Chairman and President Yuzuru Mamizuka said the need is no longer short-term staffing, but a system for welcoming and developing people over time. “Japan requires a systematic, high-quality approach to welcoming, developing, and retaining global talent,” he said. “That is precisely the gap we believe Technosmile is positioned to fill.” These companies show how Japanese business is adapting to structural pressure with discipline and purpose. Their work suggests that the country's most urgent challenges, from labor shortages and aging communities to productivity gaps and rising expectations for safety, will not be solved by technology alone. They require new operating models that combine human judgment with data, automation and long-term service design. In that sense, Japan's corporate evolution is a refinement of its strengths: quality, reliability and practical innovation applied to a new era.



## Findy: Empowering Engineering Growth in the AI Era

Findy helps engineers and companies grow in the age of AI. BY DANIEL DE BOMFORD

As AI changes how software is built, companies are rethinking how software development can drive innovation and growth. Headquartered in Tokyo and led by CEO Yuichiro Yamada, Findy Inc. supports software organizations as they adapt to this shift through platforms focused on talent, productivity and growth. Findy serves more than 290,000 users across Japan and Asia, guided by a belief that when the people who build technology are empowered to do their best work, society moves forward.

“AI is changing the way products are built, but engineers remain at the center of that change. Our goal is to help them, and the organizations around them, build with greater confidence, speed and impact,” Yamada said. Among Findy's core offerings for engineering organizations in the AI era, Findy Team+ is a software development analytics platform that helps companies visualize engineering activity and connect software delivery to business outcomes. In May 2026, Findy Team+ introduced the AI Engineering Index, a new framework for measuring engineering performance.

As AI reshapes software development, organizations face growing pressure to improve delivery speed while maintaining quality and control. The

index gives leaders a clear view of how their engineering organizations are performing across these dimensions, helping them identify strengths, uncover areas for improvement and connect engineering execution more directly to business growth. The company also offers Findy Freelance, Findy Tools and Findy Conference, supporting engineers through career opportunities, developer tool reviews and community events.

Through these services, Findy is building an ecosystem that supports both software engineers and the organizations shaping the future of software development.

**“Rather than competing head-on across the entire market, we focus on areas where we can truly differentiate ourselves.”**

**Yuichiro Yamada**  
CEO, Findy Inc.

 <https://findy.co.jp/en/service/>



# Harnessing Data to Empower People, Jobs and Everything in Between

From factory floors to home health care, OMRON aims to turn high-quality, on-site data into practical solutions that support workers, strengthen industries and improve everyday life globally. BY BERNARD THOMPSON



**“For OMRON, Gemba is the factory floor where our control equipment is deployed as well as houses and hospitals where people use our healthcare devices.”**

**Junta Tsujinaga**  
President, OMRON Corporation

For more than 250 years, since the first Industrial Revolution, manufacturing has been shaped by persistent imbalances—between regions, industries and roles. Industry 4.0 has made progress, but high costs, uncertain ROI and legacy constraints still prevent many manufacturers from scaling digital transformation. As a result, productivity and expertise are not evenly distributed across sites and workers, limiting broader

industrial competitiveness and slowing the pace of innovation across sectors. OMRON Corporation, a global technology company with more than 90 years of value creation, believes the next era of manufacturing will be co-created with partners and built on what already exists on factory floors: high-quality data generated close to the work itself. This shift marks a move from isolated automation toward more connected, data-driven ecosystems.

## **A transformation to break free from perceptions**

From his office overlooking Kyoto, President and CEO Junta Tsujinaga describes value creation as extending beyond a company to society. “OMRON is well known for control equipment that supports factory automation and healthcare products like blood pressure monitors,” he said. “With approximately 45 percent of our sales coming from factory automation, China has been a key growth driver.” As the Chinese market slowed, OMRON has worked to become more resilient to external shocks. This coincides with

Japan’s own challenges, including population decline, labor shortages and supply chain uncertainty. “We need to enhance our capabilities not only to transform OMRON but also to strengthen the value chain that has supported Japan’s manufacturing leadership,” he said.

## **A resolve to bring democracy to manufacturing**

OMRON’s strategy—what Tsujinaga calls “transforming into a Gemba DX company”—starts with the place where value is created. Gemba means “the real place.” “For OMRON, Gemba is the factory floor where our control equipment is deployed,” he said. “A factory floor is a complex scene which incorporates different kinds of technologies such as programmable logic controllers (PLCs), sensors, vision cameras, robots, etc. In addition, factories employ human workers with unique skills to execute various tasks. There are three key elements to ensure smooth operations – machine-to-machine communications, human-to-machine communications and human-to-human communications backed by actionable data to boost productivity and efficiency.” In manufacturing, labor shortages and skill gaps remain key challenges. OMRON combines data from sensors and programmable logic controllers (PLCs) with workers’ knowledge, supported by AI-enabled analytics. The aim is to streamline operations, improve decision-making and automate repetitive tasks—so that expertise can be shared and performance becomes less dependent on individual experience. This approach creates an

accessible and sustainable manufacturing environment while preserving human know-how as a core asset.

## **Digital transformation on the factory floor**

OMRON’s DX1 Dataflow Controller has emerged as a key offering to address the limitations that have long plagued the manufacturing industry’s efforts to realize digital transformation. The product can be retrofitted onto existing production lines, works with equipment from other manufacturers and requires no advanced programming skills. This makes digital transformation realistic for manufacturers that cannot replace legacy systems. OMRON aims to turn high-quality, on-site data into solutions that raise productivity, address labor shortages and build a resilient ecosystem, reinforcing the connection between data, people and real-world value creation.

## **Gemba goes beyond manufacturing lines**

In health care, OMRON takes a similar approach by analyzing vital-sign data collected from devices such as blood pressure monitors and combining it with medical and health screening data. By transforming high-quality data into actionable insights, the company helps detect health risks earlier and supports both preventive care and post-treatment management. “Gemba DX has the versatility to create customer value across many scenarios,” Tsujinaga said, “and we are leveraging it to address broader social challenges.”



Smart factory concept powered by OMRON



OMRON's factory in the Netherlands



An engineer remotely monitoring production layout

**OMRON**



<https://www.omron.com/global/en/>

# SECOM: Building the Future of Peace of Mind

Japan's first security company, SECOM, has evolved into a global platform delivering integrated services for total peace of mind. BY DANIEL DE BOMFORD

When a sole shopkeeper pulls down the shutters, locks their doors and arms the alarm for the night, it's more than a protective barrier; the routine provides peace of mind. They share this feeling with everyone from an elderly widow to the boardroom of a multinational company. Security is about trust and peace of mind. When SECOM Co., Ltd. was founded in 1962, the very idea of a private security industry did not yet exist in Japan. Today, the company stands as Japan's first and No. 1 security services company, while the SECOM Group has evolved into a global provider of integrated services designed around one idea: total peace of mind.

"SECOM was the first security company in Japan," said Yasuyuki Yoshida, president and representative director of SECOM. Its founders saw that security had already become an established industry in Europe and brought the concept to Japan. At the time, Japan was often described with the phrase "water and safety are free." Security usually meant employees staying overnight to guard premises, and the idea of outsourcing safety to a specialist company had not yet taken root. A turning point came with the 1964 Tokyo Olympics, when SECOM's predecessor, Nihon Keibi Hoshō, became the first private security company to provide security for the Olympic Village. Recognition grew rapidly, as did contracts and the labor required to service them.

The solution was to combine human expertise with technology. "Tasks that require people should be handled by people, while tasks that do not should be handled by technology," Yoshida said. From that thinking came Japan's first computer-based online security system, linking sensors at customer sites to control centers and dispatching emergency response personnel when unusual activity was detected. This model was an integrated, end-to-end service covering detection, dispatch, on-site confirmation and response. Today, SECOM has approximately 2,500 emergency response depots nationwide and serves around 2.78 million subscribers in Japan. "Instead of selling products, we designed the business to provide 'peace of mind' as a service for a fixed fee," Yoshida said. That concept now extends far beyond tra-

ditional security. SECOM's six core businesses—security services, fire protection, medical services, insurance, geospatial information services and BPO and ICT—are all dedicated to delivering "total peace of mind." The company has scaled to approximately 1.3 trillion yen (\$8.13 billion) in revenue, 166 group companies, more than 70,000 employees and about 3.86 million subscribers in Japan and overseas. Internationally, SECOM has expanded its security business across 15 countries and territories, while the group operates in 18 countries and territories, including hospitals in India. At the heart of SECOM's future is technology. The company integrates research, development, manufacturing, installation and operation in-house, supported by its IS Laboratory, Technology Development Division and own manufacturing capabilities. At the same time, SECOM is embracing external innovation through initiatives such as open innovation and collaborations with startups. "The speed of technological advancement has changed dramatically," Yoshida said. "It is no longer possible to keep up using only internal resources." "Security is shifting from reactive to proactive—detecting risks before incidents occur and preventing them in advance," Yoshida said. Robots, AI cameras, drones, wearables, Apple Watch integration, AED monitoring and the ANSHIN Platform all point toward a future where safety is anticipated, not merely restored after an incident. SECOM offers a distinctly Japanese model of innovation: disciplined, human-centered and socially purposeful. As Yoshida put it, "SECOM strives to always lead from the front, continuously pursuing innovation." The company aims to be recognized as "a company that does good work" and as one trusted and respected by society.

<https://www.secom.co.jp/english>

**"The key point is that instead of selling products, we designed the business to provide peace of mind as a service for a fixed fee."**

**Yasuyuki Yoshida**  
President and Representative Director



# How IRIS OHYAMA Turns Everyday Problems Into Global Solutions

From robotics and intelligent energy systems to consumer products, IRIS OHYAMA uses its User-In philosophy to turn everyday challenges into scalable solutions for Japan and beyond. BY KYANN EDOUARD, LISA KAYASTHA AND BERNARD THOMPSON



<https://www.irisohyama.co.jp/>

**“What matters most is turning ideas into solutions that genuinely improve people’s lives.”**

**Akihiro Ohyama**  
Representative Director and President



In the United States, at 7 a.m., a young professional prepares for work while IRIS USA plastic storage containers help keep their everyday items neatly organized next to them. Across the country, home appliances and masks are widely used in households, making people’s lives convenient. In Osaka, employees rush into office buildings, where energy use for lighting and air conditioning is controlled, and consumption is monitored through ENEverse.

In Tokyo, autonomous JILBY cleaning robots will soon be quietly moving between floors, navigating elevators and corridors as they begin preparing for the start of a busy day. Each of these seemingly unrelated moments is connected by the same company: IRIS OHYAMA Inc. For those who call the Land of the Rising Sun home, it is a company that needs no introduction. With a strong focus on innovation and accessibility, the IRIS OHYAMA conglomerate today comprises 33 domestic and global companies, 38 factories worldwide and more than 13,600 employees, generating ¥794.9 billion (\$4.9 billion) in sales in 2025. Innovating into the future, IRIS OHYAMA is tackling a new frontier: robotics.

In Japan, a country with an aging population, IRIS OHYAMA responded to the changing market needs by launching its robotics business with the goal of helping improve productivity as the workforce shrinks. The company’s goal is not to replace the existing workforce with technological solutions. “We do not approach robotics simply as a replacement for human labor,” said Akihiro Ohyama, representative director and president of IRIS OHYAMA. Instead, the company works directly with customers to redesign and improve existing workflows, enabling them to create an efficient operation through a combination of robotics, consulting and after-sales support. IRIS OHYAMA’s robotics strategy has evolved quickly, beginning with a joint venture with SoftBank Robotics Group and the acquisition of Smile Robotics, now Syncrobo. The launch of JILBY, an autonomous cleaning robot designed to move between floors and connect with building management systems, signals a broader push into smart facilities. By combining sensors, facility manage-

ment systems and AI, the company is helping advance the digital transformation of buildings and workplaces across Japan. Robotics may seem like a shift from the company’s traditional consumer businesses, but it reflects IRIS OHYAMA’s “User-In” philosophy: identifying everyday frustrations and turning them into practical solutions. The same approach has shaped its robotics business and product lines spanning storage, pet products, home appliances, food and consumables.

Every Monday, IRIS OHYAMA holds an internal product development meeting where approximately 50 to 60 business proposals are reviewed simultaneously by multiple departments such as planning, business planning, product development, production, quality assurance and sales, working together. This holistic collaboration method enables rapid decision-making and accelerates innovation.

The ability to identify unmet needs and rapidly develop solutions also underpins what IRIS OHYAMA calls its “Japan Solution” strategy. It has repeatedly responded to major societal challenges within Japan. Following the Great East Japan Earthquake on March 11th, 2011, IRIS OHYAMA expanded its LED lighting business to support energy conservation and, at the same time, launched its food business to contribute to agricultural recovery. Also, during the COVID-19 pandemic, they responded to mask shortages by expanding domestic production and providing additional supply for the entire population. More recently, the company applied the same “Japan Solution” approach to the world of sustainability through the ENEverse project. Mr. Ohyama stated, “Through its use, we have observed that energy consumption can be significantly reduced.”

As companies seek to balance productivity and sustainability, IRIS OHYAMA believes the solutions it has developed in Japan can have far broader applications. “By combining technology, financial accessibility, and operational support, we have been able to create a model that encourages faster adoption and delivers more value to customers,” Mr. Ohyama stated. These ideas are helping shape the future of digital transformation both in Japan and beyond.



## Technosmile strengthens Japan's worksites by combining seasoned Japanese expertise with global talent

BY LISA KAYASTHA AND BERNARD THOMPSON



Yuzuru Mamizuka, Representative Director, Chairman and President

For overseas manufacturers entering Japan and companies reshoring production, **labor strategy is a major challenge:** securing, training and retaining the right people. Technosmile Inc.'s factory business addresses this through H.W.S., or Hybrid Workforce Service, which **combines experienced Japanese staff with overseas talent** to improve shop-floor productivity and quality.

Founded in 2000, Technosmile posted JPY 14.6 billion in sales for fiscal 2026 and employs 2,305 people. The company has long supported major automotive production sites and began accepting talent from Asia in 2005. It has placed about 850 engineers and 12,000 manufacturing and service personnel across Japan. Global talent services now account for roughly half of sales, supported by a system designed to develop human resources sustainably. H.W.S. is neither a conventional staffing service nor a one-off recruitment solution. It is a workforce management model that improves productivity by standardizing role skills, optimizing allocation by process and linking learning,

evaluation and promotion. Experienced Japanese staff anchor quality control and safety, while overseas talent adds scale, flexibility and mobility. Together, they help clients speed up start-ups, reduce vacancy risk and build efficient multi-skilled teams.

Overseas personnel train before entering Japan through Technosmile's bases in India and Myanmar and partners in Indonesia, Vietnam, China, the Philippines and elsewhere. Candidates study Japanese, safety, 5S, workplace reporting and industry-specific skills. After arrival, Technosmile supports housing, administration, interpretation and daily settlement, helping workers adapt to workplace rules and quality standards. Anime-style e-learning and on-site OJT improve retention and reduce turnover, while support continues beyond placement.

**Technosmile's POH, or Premium Overseas Human model,** offers a staged path from entry-level work to basic, skilled and highly specialized roles. Linked to visa status and national qualifications, it helps overseas personnel move into engineering and IT roles as demand grows. Tenshoku Smile Club supports



career transitions, reassignment and qualification development, shaping long-term careers. Technosmile aims to expand the platform to 100,000 registered

members by 2028. **For executives expanding into Japan,** H.W.S. supports faster launches, consistent quality and alignment with Japan's labor practices and safety culture. Flexible allocation tied to shipment fluctuations, process-based skill management and KPI-linked evaluation make outcomes visible while controlling fixed labor costs. For reshoring manufacturers, Technosmile combines overseas



personnel with experienced staff to strengthen skill transfer and capacity, supporting clients from workforce design through shutdowns, restarts and production increases. **For overseas universities and students,** Technosmile provides pathways to build careers in Japan while learning the Japanese language and culture through work. Through step-by-step advancement from internships, industry-specific vocational training and support for national qualifications, it expands career options for international talent. The company also provides comprehensive support for working and living in Japan, creating an environment where candidates can take on the challenge with confidence. Technosmile is expanding employment opportunities in Japan for talented Indian professionals through partnerships with India's National Skill Development Corporation (NSDC), SRM University-AP

and other institutions. As Japan faces long-term population decline and labor shortages, human resources must shift from simple hiring to strategic workforce development. Target sectors include automotive, electronics, logistics, hospitality, food service,



nursing care and maintenance, where skill standardization can improve productivity.

Quality and compliance are also central to Technosmile's approach. Based on occupational safety and health, labor laws, workplace rules, information control and fraud-risk prevention, the company provides audit support and visualization reports. In line with each client's governance standards, it designs indicators such as SLAs, training completion, retention rates and reductions in accidents and defects, and works jointly with clients to drive continuous improvement. By combining close-to-the-site operational capability with long-term workforce design, Technosmile supports both corporate growth and individual career development. From pre-arrival training and launch support to retention and promotion management, the company provides an integrated solution for Japan's evolving labor challenges.



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