
Proposing solutions to the issue of "Japanese skill" when recruiting foreign talents
Entering the HR recruitment market

Making the most of the advantage of our assessment business from English to Japanese

PROGOS Inc. begins the recruitment business specialized in foreign talents and Japanese tutoring business

Concluded the business alliance with JELLYFISH, INC, the recruitment agency with the experience to provide Japanese tutoring program, and establish the new company jointly

PROGOS Inc. (hereafter, "PROGOS"), the subsidiary of RareJob, Inc. (hereafter, "RareJob"), which utilizes data related to human resource to develop global talents, will enter the HR recruitment market and launch the recruitment consulting for foreign talents and Japanese tutoring business. In addition, on April 21, 2021, we announced that we will form the business alliance with JELLYFISH Inc. (hereafter, "JELLYFISH") to provide the one-stop business from recruiting foreign talents to providing Japanese tutoring program. We will establish the new company to do the recruitment consulting specialized in foreign talents, to develop and provide the Japanese tutoring programs.



■The Market for Utilizing Foreign Human Resources and Challenges for Japanese Companies

In Japan, the population is already declining, and the utilization of foreign human resources to secure enough labor force is important for the management of Japanese companies.

On the other hand, "communication" in workplaces has been regarded as the biggest problem for both foreign employees working for Japanese companies and Japanese employers (*1). This is because the Japanese language proficiency test (JLPT), which is the requirements to obtain working visas, evaluates only "reading" and "listening", so "speaking" which is necessary to work is not measured. Furthermore, there are few companies that provides adequate language training after recruitments and guarantees foreign employees' language skills required for work practically.

■The Advantage of The Products Development by PROGOS

PROGOS has developed services to assess and help improve English speaking skills certainly for clients, such as PROGOS, business English speaking test and the Smart Method® Course, the online results-guaranteed English tutoring program for 16 weeks.

PROGOS has developed the business that contributes to the development of global leaders in Japanese companies by leveraging its expertise in visualizing and assessing English speaking skills and its knowledge of developing results-focused programs. We believe PROGOS can take advantage these experience and expertise to tackle the challenges of recruiting foreign talents and helping improve Japanese speaking skill for them.

■ Business Alliance Contract with JELLYFISH

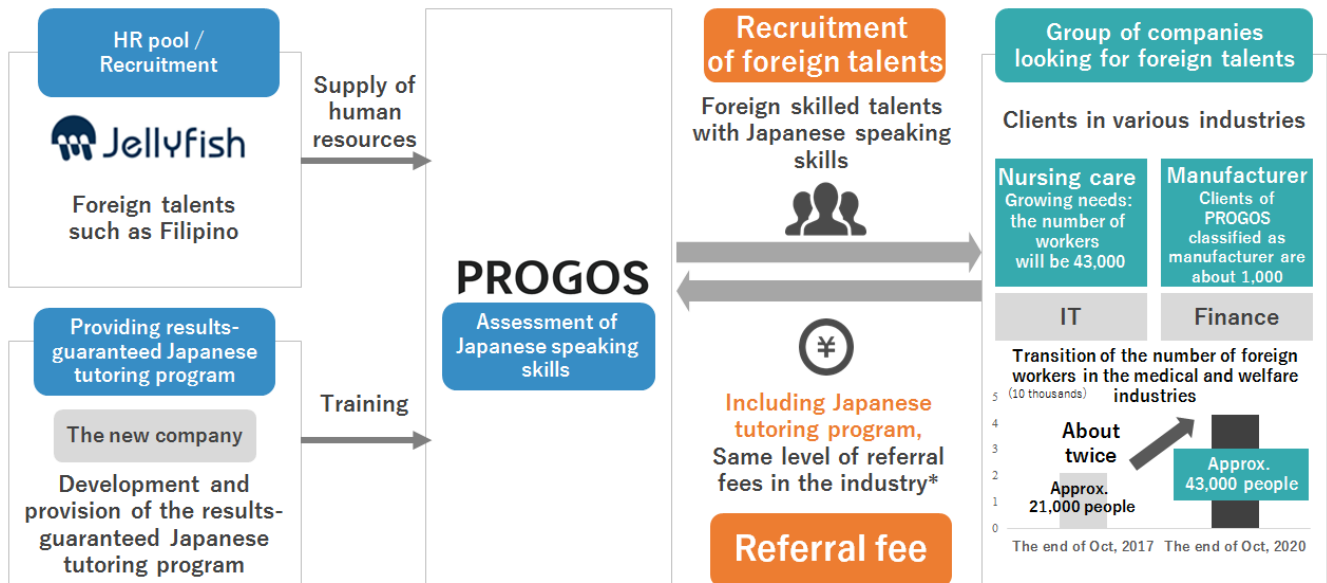
This time, we conclude the business alliance contract with JELLYFISH to tap into the carrier-related business. Though there are many agencies in the HR recruitment market for foreign talents, JELLYFISH has its long history in their business and the strong presence in the market. It also has managed Japanese language schools in Vietnam, Philippines, and Indonesia, which enables it to have plenty knowledge of Japanese language education. PROGOS has concluded the business alliance with JELLYFISH because their business resonates with the value of PROGOS. This is because JELLYFISH prioritizes speaking skill for communication rather than reading and writing skill, and has developed the program to visualize the speaking skill and utilize the visualized data for their education. It is the unique strength for PROGOS to be able to develop the business model which dispatches foreign talents with the practical Japanese speaking skills required in workplaces certainly to companies looking for foreign talents by combining recruitment support and language tutoring.

■ Potential and significance of utilizing Filipino human resources in business developments

RareJob Group has adopted the Group Vision "Chances for everyone, everywhere." and has hired Filipinos as tutors for RareJob Eikaiwa. We have more than 6,000 tutors now, but the pass rate is very low, which is only 1% to make sure the quality of lessons. We believe that there are serious matters for the RareJob Group to provide more employment opportunities for Filipino people and to contribute to the Philippine economy as we have been operating our business locally for more than 13 years since the establishment.

Currently, approximately 50,000 Filipinos are working in Japan with working visas (*2). In general, Japanese language skill is difficult to acquire for foreign people, however, it is highly likely for Filipino people to expand employment opportunities if they could overcome the difficulty with the Japanese language acquisition. In this situation, our new business will help resolve the shortage of human resources in Japan, which is one of social issues by recruiting foreign people and contribute to the economic growth and GDP improvement in Philippines.

PROGOS Inc. has approximately 1,000 corporate clients in the manufacturing industry, and the need to hire foreign human resources became already obvious. This new business creates the system that enables us to propose, provide and allocate foreign talents. It will meet the needs of our clients, provide employment opportunities for Filipinos and expand businesses for PROGOS.



*The average of the industry is about 25% of annual income (Approximately ¥750,000) based on our survey.

[The illustration of the business model of PROGOS Inc.]

■Future Outlook

PROGOS and JELLYFISH will establish the new company to develop Japanese tutoring programs together and start the development. In addition, we will build the seamless system to introduce suitable foreign workers from foreign talent pool to companies and to develop and provide Japanese tutoring programs.

In terms of the business development, we will strengthen partnerships with a wide range of recruitment agencies to realize the pool of diverse human resources. We will focus on fostering our presence in the nursing care industry, which is expected to steadily expand in the future, in addition to the manufacturers, finance, and IT industries. PROGOS keeps doing their bests to realize their mission, "developing global leaders needed in a society."

*1 Source: Survey Results of Opinions and Fact on Employment of Foreign Nationals (4) Employment Issues/Troubles

"Sense of Issues in Employment of Foreign Human Resources" and "Dissatisfaction from Foreign Employees Classified by Type of Employments" (PERSOL Research Institute 2019.9)

*2, 3 Source: Summary of "Notified employment Status of Foreign Nationals" by the Ministry of Health, Labour and Welfare (as of the end of October 2020)

[About PROGOS Inc.]

Address: Craines Park Building 6F, 18-1, Jingumae 6-chome, Shibuya-ku, Tokyo

Representative: Masuyo Ando, President and Director

URL: <https://www.progos.co.jp/>

Business: Services related to assessment, training, and recruitment of global leaders

[About JELLYFISH Inc.]

Location: WESTHILL 4F, 2-24-4, Nishi Gotanda, Shinagawa-ku, Tokyo



Representative Director: Sho Tanaka

URL: <https://jellyfish-g.co.jp/>

Business: Placement/Recruiting foreign talents, media management, education, investment and other related businesses

[About RareJob, Inc.]

Address: Kyocera Harajuku Building 2F, 6-27-8 Jingumae, Shibuya-ku, Tokyo

Representative: Co-Founder, CEO Gaku Nakamura

URL: <https://www.rarejob.co.jp/en>

Business: English-related services

Listed on the First Section of the Tokyo Stock Exchange

Based on the group vision “Chances for everyone, everywhere”, RareJob aims to “build a platform for people to play active roles globally”. The company offers one-to-one (person to person) online English tutorial services – RareJob Eikaiwa – to enable students to speak English. In addition, RareJob is expanding its business scope to Global leader development and career-related services to create opportunities on a global stage. To achieve our vision, RareJob, as a leading company in the EdTech sector, is expanding its operations beyond Japan to a worldwide scale.

[Image Movie: A small picture of the future drawn by RareJob]

<https://youtu.be/6HWoKierAYs>

[Service-related information]

- Cumulative number of free registered users: 0.9 million or more*
- Cumulative number of corporations introducing the system: 3,200 or more
- Cumulative number of institutions introducing this system: 300 or more

*The number of users includes the users of all our English-related services.

[Provision of services]

Online English Tutorial

- "RareJob Eikaiwa", the online English tutorial service
- "Smart Method ® Course" an online progress-guaranteed English conversation program
- “Ripple Kids Park”, an online English tutorial for kids

Assessment

- Business English Speaking Skill Test "PROGOS"

B2B&B2School

- Global Leader development services for corporates (PROGOS Inc.)
- English language educational services for educational institutions (Envizion, Inc.)



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