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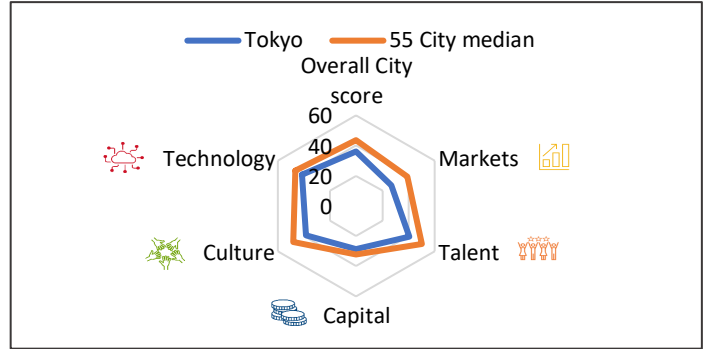
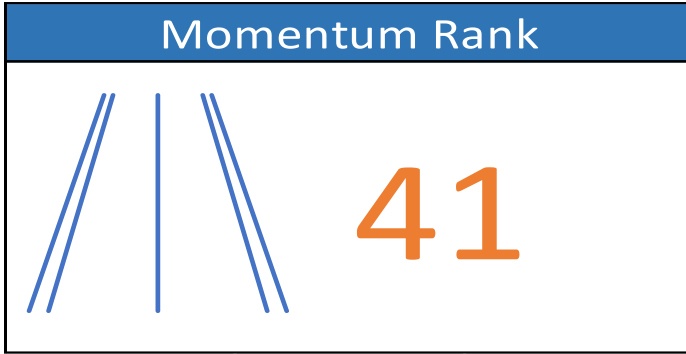
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# Tokyo

Overall Score: 36.1 out of 100 | Overall Rank: 45 out of 55



## Basic Facts:

- Population: 37.39 million
- Gross Metro Production (GMP): \$2.01 trillion (2022)
- Top Sectors by Employment:
  - 1) Wholesale and retail trade
  - 2) Information and communication
  - 3) Medical, healthcare, and welfare

## Notable Strengths:

Despite slower economic and population growth at the national level even before the COVID-19 pandemic, Tokyo continues to be one of the world's leading cities and drivers of global economic activity. With modest growth in the metropolitan area over the last decade, Tokyo continues to retain its status as both the most populated and largest economically (in GDP) city in the world containing over 37 million inhabitants in the Greater Tokyo Area and generating over \$2 trillion in annual GDP, asserting itself again as 1<sup>st</sup> in the Market Size sub-pillar. As a global city with the most top-ranked universities in the world as well as one of the highest rates of tertiary educational attainment among both men and women, businesses in Tokyo have among the largest pool of highly educated workers. Along with a highly educated pool of women in the workforce.

Generally known for its many large corporations and perhaps less so for entrepreneurship and producing startups, Tokyo (and the broader Japan) have been applying efforts to cultivate a stronger startup ecosystem to rival other global cities. Along with a dramatic increase in the capital raised for startups to \$4.8 billion in 2019<sup>1</sup>, Tokyo was ranked 15th in Startup Genome's 2020 Global Startup Ecosystem Report, beating Singapore, Seoul, and Hong Kong among other large cities in Asia. Although the burgeoning capital and startup

<sup>1</sup> According to INITIAL (<https://initial.inc/articles/japan-startup-funding-2020-en>)

<b>Overall Rank</b>	<b>45</b>
<b>Operating Environment</b>	<b>45</b>
<b>Markets</b>	<b>45</b>
Size	1
Cost	39
Access	55
Policy	45
<b>Talent</b>	<b>41</b>
Women's Skill & Experience	51
Access to Qualified Personnel	13
<b>Capital</b>	<b>42</b>
Number/Value	13
Gender Proportion	54
Women's Capital Base	3
<b>Enabling Environment</b>	<b>45</b>
<b>Culture</b>	<b>41</b>
Access to Mentors & Role Models	52
Attitudes & Expectations	17
Policy	43
<b>Technology</b>	<b>44</b>
Connected	33
Cost	4
Policy	46
Equality	54

scene in Tokyo may not yet have translated into breaking the historical trends of a dearth of women entrepreneurs in the city (as discussed below), there are clear efforts seeking to support and encourage women leadership and women entrepreneurship. At the government level, the Tokyo Metropolitan Government's Acceleration Program in Tokyo for Women is now in its 7<sup>th</sup> cohort in which women entrepreneurs receive dedicated mentorship and support for global expansion.

### **Areas for Improvement:**

Historically, Tokyo has been weak in its representation of females at both the top level of corporate leadership (such as corporate boards) as well as in the startup environment. Numerous points along Tokyo's startup and business ownership ecosystem as well as its extended pipeline reflect a lack of support and encouragement for women to position themselves as potential entrepreneurs, to form businesses, and to become experienced management executives, despite the large pool of highly educated women in the city. While Tokyo is in line with other major cities in having policies directed at equal pay, nondiscrimination, as well as both paid maternity and paternity leave, in our competitive WE Cities Index, these policies are quickly becoming table stakes.

At one end of the ecosystem, although Tokyo boasts some of the best universities in the world along with a large pool of university-educated women, female enrollment at top universities is well below average, a data point that has featured in articles suggesting a need for a change in culture surrounding how people in Japan view women and career ambition<sup>2</sup>. In the area of capital support for women entrepreneurs, the city has significant room for upward improvement in both encouraging women into entrepreneurship but especially backing women-owned businesses with the necessary capital. Further down the pipeline, Tokyo's low women-to-men ratio in terms of executive experience is also reflected in its lack of Access to Mentors & Role Models (ranked 52<sup>nd</sup>), another important aspect in encouraging women to become entrepreneurs and future business leaders. Tokyo will need to leverage its relative strength in capital and markets to help elevate the role of women to start fostering a culture that provides a virtuous cycle of women having attitudes and expectations that help them dream big, which provides more role models and mentors and helps change attitudes and expectations of society.

Although the areas for improvement note reflect different points along the startup and business leadership ecosystem for women, they are interconnected. Tokyo would do well in continuing or reinforcing its efforts in improving along all these fronts. If it does so, it can move along the runway and get on the radar for take-off. Since 2017 its momentum in the index ranks it near the bottom. With an aging population, women entrepreneurship offers a path to sustainable growth that can keep Tokyo's market on the top.

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<sup>2</sup> See New York Times article from 2019 titled "At Japan's Most Elite University, Just 1 in 5 Students is a Woman".