
INTRODUCTION

Diversification of Employment and Human Resource and Personnel Management Issues

The number of atypical workers — part-timer workers, temporary workers and fixed-term contract workers — has been increasing in Japan in recent years.

Part-time workers work fewer hours than regular employees and for statistical purposes are usually defined as “working less than 35 hours per week,” based on the definition used in the *Labour Force Survey* by the Ministry of Public Management, Home Affairs, Posts and Telecommunications.

Fixed-term contract workers are distinguished from regular workers because their employment is limited to a fixed period of time.

Employment provisions for temporary workers are regulated by the Temporary Workers Law. Employment contracts are drawn up between the worker and the temp agency and the worker works at the discretion of the company to which he/she has been sent by the temp agency.

According to the Ministry of Health, Labour and Welfare’s *General Survey of the Diversification of Employment Forms* (2003), around one-fourth of Japan’s workforce is composed of atypical workers, with the bulk being part-time workers. According to the *Labour Force Survey* (2003), there were 12.6 million part-timers and 2.13 million temp workers in 2002. The numbers for both types of workers have been rising in recent years. Furthermore, in a reflection of the diversification of personnel needs, regular employment is also becoming polarized with the appearance of two categories within this division of the work force. One category consists of workers in career-track jobs who engage in core tasks and who can be transferred. The other category is made up of workers assigned to non-career track jobs during which they engage in support tasks and are not transferred.

This issue of *Japan Labor Review* surveys academic papers that have investigated various personnel management issues that have developed from this polarization of employment forms.

The paper by Kazuya Ogura compares atypical employment

internationally, noting the conceptual differences behind atypical employment in Japan, Europe and the United States. The problem that arises when comparing employment forms internationally is that different countries define the concepts differently. The term “atypical employment,” for example, has recently been used in European countries and in Japan, but not in the United States, where the terms “contingent” or “non-traditional” are generally used. Thus, the concept of atypical employment differs from country to country, making comparisons difficult. The key point is that in every country, while there are “conventional forms of typical employment” (in other words, full-time employment of regular employees without fixed-term contracts) and “conventional forms of atypical employment” (employment of part-timers and contract workers with fewer working hours), there are also “unconventional forms of atypical employment” and “unconventional forms of typical employment.” Japan has its own peculiar form of “unconventional atypical employment” that could be called “quasi part-time employment,” in which management treats workers as part-timers even though they work as many hours as full-time, regular employees and do not have fixed-term contracts.

Matching compensation to the type of work done by all these various sub-categories within the typical and atypical forms of employment becomes a problem for personnel managers. Using data from questionnaires and analysis of sample companies, Hiroki Sato and Yoshihide Sano show that the issues facing personnel managers in the future will be 1) appropriately combining diverse human resource measures that fit the company’s human resource program and the characteristics of its different job titles, and 2) providing fair and balanced compensation for workers who have different employment categories.

The existence of “unconventional atypical employment” results in part-time employees who reject differences in compensation between themselves and regular employees. Mamiko Ishihara and Takehisa Shinozaki’s statistical analysis of data from personal surveys notes that part-timers are less likely to accept the legitimacy of a wage gap with regular workers when their on-the-job responsibility is equivalent to that of regular workers despite their lower wages.

Meanwhile, companies using temp workers have increased in number

following revisions to the Temporary Workers Law and the lifting of the ban on using temporary workers in the manufacturing sector. Motohiro Morishima and Tomoyuki Shimanuki note that what characterizes temp workers compared to regular employees and directly hired atypical employees is the structural framework that surrounds them. The structural framework for temporary workers is characterized by their working under two different managements — the temp agency and the company they are sent to work for — and that they have a short career perspective. According to Morishima and Shimanuki, the question for management is how to resolve the mismatches in human resource management that arise from this structural framework.

The manufacturing sector has traditionally used independent contractors, but now that the ban on temp workers in manufacturing workplaces has been lifted, independent contractors are being asked to increase the level of the services they provide or upgrade their management of those services. Makoto Fujimoto and Takuma Kimura have shown that independent contractors with stable and strong business results have established workplace management systems and personnel management systems for the utilization, evaluation and education of workers, but most independent contractors have yet to establish these systems.

Greater diversification of employment and human resources can be expected in the future. An eye should be kept on how Japanese companies resolve these personnel management issues surrounding atypical employment.

Atsushi Sato
Professor, Doshisha University
