Abstracts

Labour Market Performance and Court Decisions concerning Dismissals: Preliminary Evidence from Japan

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Much has been discussed, both theoretically and empirically, about employment protection legislation; however, few studies have focused on its effect in Japan, where dismissal is strictly regulated by case law. Do court decisions affect Japanese labour market performance? District and High court decisions provide ample regional variations in answer this question. By creating a judgment indicator, I found that prefectural employment rates are reduced by 0.2% if the prefecture experiences more pro-worker than pro-employer judgments in a given year. Furthermore, pro-worker judgments not only deprive young and female workers of employment opportunities but discourage them from staying in the labour market.

From the Postwar Academic-background-based System to the Competency-based System: A Case Study of Reform in HRM at Mitsubishi Electric Corporation in 1968

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This paper examines the logic of the shift to the competency-based system that was introduced as the paradigm of HRM at Japanese firms in 1960's through a case study of reform in HRM at Mitsubishi Electric Corporation in 1968. Mitsubishi Electric Corporation had employed the academic-background-based system prior to 1968, and it adopted the competency-based system after 1968. The process was not a simple conversion of the seniority-based system that was mechanical and egalitarian to a merit system based on individual competency. Mitsubishi Electric Corporation was ranking all employees by function and the qualification system organized with a consistent standard of competency by the reform in HRM in 1968, and it tried to execute qualification promotion and the function change systematically. Additionally, it was with the intention to establish in-house order that the adjustment was made, and the level of consent is high. The balance of the long-service and rating elements has been maintained through a function change with a highly weighted rating element considering the long-service element when moving up the qualification in the system so far. As a result, the system was set to solve various problems in the HRM, which are 1) university graduate treatment and selection, 2) treatment of employees who became blue-collar worker in spite of graduation from high school, 3) treatment of employees hired mid-career, 4) disparities in treatment by gender, 5) difference in treatment by academic-background.