

## Abstracts

### Corporate Leaders of Japan: Facts and Fallacies

**Kazuhiro Mishina** (Kobe University) and **Emiko Hino** (Kobe University)

This paper refutes the myth that Japanese firms are built upon front-line employees and middle-class managers. The myth most likely originated from the realities that prevailed in Japan during the 1980s, and gained general acceptance through the 1990s. In fact, the data that reflects Japan's reality as of 1995 and 2010 are consistent with the myth, but the data that reflects Japan's situation as of 1965 and 1980 are inconsistent with the myth. The paper thus concludes that the myth fails to take into account the founding period of Japanese firms. It further establishes that the role the hands-on top executives played during the founding period of a firm is far greater than normally believed. The fallacy arises because researchers almost always equate "Japanese firms" with the largest of the firms in the country. It is worth noting that even the top executives of the largest Japanese firms remained in their positions well over ten years during the founding period. Through these analyses, this paper refutes a popularly held belief about Japanese firms.

### Selection and Promotion of Managers in Japanese Companies: Present and Future Perspectives

**Atsushi Yashiro** (Keio University)

In this article, we consider the selection and promotion of managers in Japanese companies. Because long-term employment is an established practice, Japanese companies must maintain the motivation of the vast majority of employees for as long as possible. It would be, therefore, very difficult to pick out the future top management in the very early stages of their careers. As a result, HRD departments manage the process of promotion based on the so-called "*nenji*" (tenure cohort), and even job rotation functions, to ensure the management of the *nenji*. We discuss, in the last section, the future of such a Japanese system in association with the theory of the "Organizational Field".

### Have Japanese Engineers Changed?

**Yoshifumi Nakata** (Doshisha University) and **Satoru Miyazaki** (Doshisha University)

The number of engineers working in Japan has been declining after a peak-out around the year 2000. But at the same time the share of them as manufacturing workers has been increasing steadily. Interestingly this share, though increasing, is significantly low relative to those in comparable industrial countries, which may be the consequence of stronger contribution by those blue collar workers at the shops. The productivity of Japanese engineers measured by the number of patents has been increasing steadily and surpassed that of their American counterparts by a wide margin from the mid-1990s. Meantime the external labor market for engineers has been developing significantly although the pay and jobs for the majority are still determined internally. Other changes to be noted are the weakening of long-term employment practices and the growing importance of individual performance in their pay determination, although the external labor market has only a limited impact on pay determination within a firm. We also found that work motivation as well as company loyalty has declined quickly. The future is not bright either, as the domestic supply of engineers is destined to shrink. Two exceptions in this trend are female and foreign engineers. The foreigners are also expected to facilitate the globalization of Japanese firms.

### How Have Intellectual Skills Changed in the Workplace during the 2000-2010 Decade?

**Kuramitsu Muramatsu** (Nanzan University)

The major changes in the workplace during the past decade were that non-regular workers, such as contract workers and dispatched workers, increased until 2007, while

after the Lehmann Shock of September 2008 the employment of dispatched workers decreased rapidly due to production cut-backs such as those in the automobile industry. In this context, how have both the intellectual skills so characteristic of Japanese workplaces and their acquisition changed over the decade? On-site car industry surveys in 2002 show that intellectual skills were still important and their acquisition was integrated among regular workers. But with the uncertainty of future sales, non-regular workers increased steadily. At first their jobs were separated from those of regular employees, but performance was inefficient and they frequently quit. Real on-the-job experience is crucial even for non-regular workers, so they were gradually integrated in the workplace, and with economic recovery more were up-graded to regular employee status up until 2007. JILPT surveys for 2007, 2008 and 2009 show no basic change in the importance of intellectual skills. In fact, higher skill-levels had improved and spread to small and medium enterprises. The risk of hiring cut-backs, as a result of the post Lehmann Shock management crisis, has led to the sacrifice of non-regular workers with fixed term contracts initially

New Members of Japan's Working Society: Martyrs both with Family and Employment  
**Masakazu Yano** (Showa Women's University)

The purpose of this paper is to examine the current problem for students hunting for jobs, along with the Japanese-style relationships between family, university and employment, and look at how to discuss policy implication for university reforms. The first half shows that students start searching for a long-term job from early autumn in their junior year of university, eventually landing a job in their senior grade at the expense of learning opportunities in university programs. This shows the economic structure of hierarchical university system as a background for job hunting. In the second half, we examine the characteristics of Japanese universities and point out three factors: "18 years until entrance to university", "almost a graduate student" and "dependence upon parents to pay high tuition fees", which are closely related to both the Japanese-style family system and the employment system. These relationships are a reason why it is difficult to reduce the abuses in the job hunting process and to reform the university system. Finally, we discuss how important to free university students from their parents' dependence through a reduction of tuition fees and educational expenditure policy.

The Japanese Human Resources Department in 2009: Has its Role Changed?  
**Mitsutoshi Hirano** (Kobe University)

The purpose of this paper is to examine whether or not the roles of the human resource (HR) department at company headquarters have changed. This study analyzes current HR departments in Japanese firms, comparing them with those that have developed during the stable growth period (1975-1996) in Japan, as well as with Business Partner Studies in the United States. Analyzing questionnaire survey data from 365 HR managers, this study finds that centralization and intensive accumulation of personnel information, which characterize HR departments in Japanese firms, have been mostly unchanged in comparison with those during the period of stable growth. Moreover, HR managers holding the highest status positions and their career path have not changed, either. Japanese HR departments negotiate individual personnel transfer issues with line managers, using sticky personnel information as their sources of power. And then they contribute to workplace reform by placing the right persons in the right positions. Therefore, the HR manager has to experience various jobs in different divisions, understand the various roles within the company, and has the ability to match employees in their ideal roles. As a result, the career paths of the HR managers lead to different functions and they have high status positions over the line managers while applying their bargaining power.

## Roles of Trade Unions in Japanese Firms

**Hiroyuki Fujimura** (Hosei University)

Enterprise unionism is considered a Japanese style of management. It took about 25 years for industrial relations in Japanese firms to become cooperative. After serious labor disputes in the 1950s and 1960s, both management and trade unions recognized the importance of building a good relationship between management and labor. Even though cooperative industrial relations contributed to the promotion of productivity of Japanese firms, enterprise unionism still faces problems that need to be solved as soon as possible. The trade union participation ratio decreased to 18.1% in 2008, and then recovered slightly to 18.5% in 2009. Organizing non-regular employees is an important task for trade unions at every level. Reconstruction of trade union activities on the shop floor level is also a big challenge. This paper discusses the actual situations of union activities on the shop floor level by using data from the Institute of Industrial Relations and Labor Policy, Chubu. The declining percentages of regular employees and long working hours have resulted in low levels of union activities. It is necessary for both management and trade unions to rebuild industrial relations at the shop floor level.