

Abstracts

The Burden of Compulsory Employment till Age 65: Hidden Selection, Insecure Jobs

Tomoyo Takagi (Keiai University)

The revised Law concerning Stabilization of Employment of Older Persons means that companies are now required by stages to allow all those employees who so wish to continue working until they are 65 years old. However, there are two problems in human resources management that hinder such continued employment. First, even though this legislation may open up employment opportunities, the deep-rooted culture of "hidden selection" among workers will not disappear easily. Those who have reached retirement age, knowing that their company cannot afford to keep them all on, start the mental process of "self-selection" and "vicarious agreement," so that not everyone will declare their wish to continue working. Second, as a result of excessive pressure on companies to keep employees aged 60-65, employment may become even less secure for those aged below 60. Some companies may also try to compensate for the increasing expenditure on personnel by holding all their employees' wages down or by attaching more importance to outcomes and achievements. Such changes may result in creating winners who earn more throughout their careers and losers who earn less. The question then is whether the current social system can rescue and support those who fall behind in this race.

Age Discrimination Law and Contractual Mandatory Retirement Age

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In Japan, labour market policies have been developed in order to secure the employment of older workers. In light of this, employers can lawfully set the mandatory retirement age for their employees as long as the age is over 60. In addition, after the 2012 revision of the Act on the Promotion of the Employment of Older Workers, all workers who reach the age of 60 should be given an opportunity to continue working up to the age of 65. In both the US and EU, contrastingly, age discrimination is a major issue concerning the employment of older workers. In EU countries, which introduced age discrimination laws ten years ago, the question of whether the contractual mandatory retirement age violates anti-age discrimination law or not is one of the hot issues. The basic feeling is that when such mandatory retirement age corresponds with the pensionable age under the national public pension scheme, it is not against the age discrimination law. However, a new trend has been recently seen. Where the mandatory retirement age has not been set by collective agreement yet individual contracts do, courts examine whether it is based on any justifiable objective, and whether it is appropriate and necessary.

Working Carers' Fatigue and Taking Time Off

Shingou Ikeda (The Japan Institute for Labour Policy and Training)

Issues of support of workers who handle both work and elderly care have conventionally been thought to exist in the physical management of working hours and caregiving hours, on the supposition that they perform daytime nursing care such as making applications for care services, accompanying the elderly to hospital, and so on. However, the burden of nursing care outside work hours when the workers do not need to adjust working time results in accumulated fatigue, which would lead to difficulty in compatibility with work. Hitherto the impossibility of continuation of employment because of the difficulty in compatibility was an issue, but the job quitting rate was low just after the start of nursing care even if the burden of care was heavy. Attention should be paid to the possibility that nursing care has an unfavorable effect on their work in spite of the fact that they could continue to work. From this perspective, this paper presents analysis

of what influence the poor physical condition caused by nursing care exerts on work. The analytical results show (1) the more they carry out nursing care at night hours, the higher the probability of worsening the caregivers' physical conditions becomes. In such a case, the elderly requiring nursing care have mostly developed severe dementia; (2) not only the necessity of nursing care in the day time but worsened physical condition increasing the probability of carers' taking time off; (3) even if they take time off due to caregiving, there is a low possibility of lowering efficiency when physical condition is not bad; (4) in case of worsened physical condition because of caregiving, there is a high possibility of lowered efficiency. In that sense, carers' poor physical condition due to the accumulated burden of nursing care exercises unfavorable effects on work much more than physical time management for nursing care during daytime hours. To solve the problem, it is essential to grasp the health condition of carers who took time off. That is to say, it will be important to support workers with elderly care from the standpoint of healthcare administration so that they can reconcile their work with nursing care.

Employment Status of People in the Elder Age Group and in the Other Age Groups: Analysis using the Micro Data of the Survey Form for Business Office in the Survey of Employment Trends

Hitoshi Nagano (Meiji University)

Companies have been obliged to take measures for securing the employment of elderly persons up to 65 years old since 2006. What change was induced on the employment trends of elderly persons by the imposition of this? And what employment situation was caused for other age group persons by the changes to the elderly? To clarify these points, the micro data of the *Survey Form for Business Office* in the *Survey of Employment Trends* implemented by the Ministry of Health, Labour and Welfare, for the years 2005, 2007 and 2009 was analyzed. As the result, the increase of the share of those over 60 years old in the total age group was confirmed; it was 8.8% in 2005 and 11.6% in 2009. The determinants of the each age group share were also examined. The result showed the assertion that employment of young persons was deteriorating due to employment support for the elderly was not accepted in 2005 and 2007. A different picture, however, was observed in 2009. Employment growth was attained mainly by the implementation of the securing elderly employment at that time, although it partially was affected by the serious economic conditions after the financial crises. At that time, the affected age group was the young-middle age, 30-44 years old, rather than those of younger ages, less than 29 years old. The young age group was rescued mainly due to hiring practices whereby companies favor new graduates. In view of the long run, it is meaningful to continue to promote employment of the elderly. So, we must consider how to handle this policy during an economic recession.

Current Challenge of the Succession of Intuition and Pertinent Engineering Experience from Seniors to the Youth: Verification from the Construction Industry

Masao Yamasaki (Hosei University)

The purpose of this study is to discuss current challenges related to the succession of intuition and pertinent engineering experience from seniors to youth. Individual interviews were conducted as well as discussions held with study groups and companies in the construction industry. I employed the concepts of intuition as a means to grasp what information should be passed on. The term 'intuition' is defined as the ability to simultaneously engage in problem detection, causal investigation and problem-solving. Because seniors are essential for the succession of intuition and pertinent engineering experience, I also conducted individual interviews to investigate current efforts for achieving continuous employment. During the course of these interviews it was discovered that the To-bishima Construction Corporation has an officer for the succession of intuition and

pertinent engineering experience. In planning the smooth passing on of intuition and pertinent engineering experience, it is necessary to promote active interactions between youth and seniors. Concepts of intuition, buoyed by the presence of senior engineers who have a wealth of experience, should be at the core of these experiences; however, more urgent and out of the box initiatives are needed in this regard to meet future succession requirements.

Behavioral Change Training for Middle-aged and Elderly Employees to Increase Performance at Companies

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Companies in Japan are under serious pressure of considering utilization of elderly workers by reason of the fact that Japan is facing serious concerns of rapid aging coupled with a low birth rate. This paper discusses abilities required for elderly employees by companies in Japan, and challenges companies in Japan face developing middle age managers and workers to supervise senior employees. The expected role of elderly employees has changed recently, with prolonged working hours by 2012 Act of Revise Law Concerning Stabilization of the Employment of Older Persons. Companies require elderly employees to have a greater “ability to support younger front line employees” over the “ability and skills directly required for the front line jobs,” and this fact is observed more strongly at companies contracting elderly employees as non-regular employees, according to results from our survey. Companies understand it is difficult to change the working behavior and mindsets of elderly employees in their sixties. Companies need to develop training programs and environments in order for elderly employees to change their working behavior and mindsets to support young managers and high performers. However the facts from our survey show that only 10% of companies currently practice such training programs for employees in their fifties. We conclude it is very important to streamline behavioral change type of training programs to elderly employees.

Determinants of Participation in Volunteer Activity in Elderly People: An Empirical Analysis

Xinxin Ma (Kyoto University)

In Japan, the number of people taking part in volunteer activities started to increase after the Kobe earthquake of 1995, the year now known as “Volunteer Year One”. Volunteer activities have grown increasingly conspicuous since then, illustrated by the promulgation of the Act on Promotion of Specified Non-profit Activities in 1998. On the other hand, compared to European countries and the United States, people who participate in volunteer activities in Japan are still smaller in numbers. In order to promote participation in activities in Japan, an empirical study on the mechanism of volunteer supply has become an important issue. In this paper, therefore, microdata from a survey (*Survey on Hiring and Employment Status of the Elderly People*) conducted by the Japan Institute for Labour Policy and Training (JILPT) in 2009 will be used to conduct an empirical study on determining factors of participation in volunteer activities by people aged 60–69, as well as the effect of their past working career, which has not been analyzed in the past. The main findings are as follows: First, the higher the non-earned income, the higher the probability of participation in volunteer activities, therefore the consumption model is supported. On the other hand, an age effect does not exist statistically, so the human investment hypothesis is not verified. Furthermore, estimated results show that past working career (such as occupation category at 55 years old) influence the probability of participation in volunteer activities at 60–69 years old, so the human capital utilization hypothesis is supported. Second,

there are other factors influencing the participation in volunteer activities. For example, estimated results reveal that the higher the market wage, the lower the probability of participation in volunteer activities, and the probability of participation in volunteer activities in a group in which their spouse is a fulltime employee is lower than that in the non-spouse group.

How Do Private Middle School and High School Teachers View Career Formation? Analysis of Results of Interviews of 75 Teachers at Five Middle Schools or High Schools in the Greater Tokyo Area

Yoshifumi Furuichi (Hosei University)

Teachers at private schools and teachers at public schools experience very different career formation processes. The purpose of this paper is to learn how teaching personnel at private schools view career formation. I interviewed 75 teachers at five private schools in the Greater Tokyo Area. The method of analysis adopted in this research was the modified grounded theory approach (modified GTA) developed by Kinoshita (1999, 2003). The results of this research indicate how teachers view changes occurring due to market competition and school reforms, how they evaluate their current school organizations, what they think about correcting discrepancies between school identity and themselves, how they feel about reconstruction of teacher identity, and how they view their working life and careers. In their professional lives, individual teachers have had their teacher identity shaken. What they need to overcome the effects of this experience and reconstruct their teacher identity is a working environment characterized by collegiality and cooperation. In addition, the reconstruction of teacher identity is closely related to mid-career teachers and teachers in the late stage of their careers developing an awareness of new responsibilities as part of a team participating in school management in which they contribute to building their school's educational program and strengthening their school's operation.

The Upbringing of Middle Manager in Small and Medium Firms: Based on the Questionnaire Survey for Medium and Small-sized Service Firms

Makoto Fujimoto (Japan Institute for Labour Policy and Training)

The so-called "middle manager" is an important person supporting the business administration of the company, and having an important role in the personnel affairs. The need for middle managers is strongly conscious in medium and small-sized business. In this report, I analyzed what kind of the ability development of the middle manager occurs based on a questionnaire survey for medium and small-sized firm business executives. A firm which intends to train up middle managers and realizes their development is more aggressive for premeditated training and ability development of the employee. In addition, the enforcement situation of measures regarding off-job training did not have a statistically meaningful correlation to the success or failure of training, but I examined the possibility raised for successful training of middle managers for firms providing opportunities which employees learn by themselves. Furthermore, it is shown that employees who work as middle managers recognize ability development activities by firm and collect information about such training or teaching materials necessary to raise their abilities in the work.

On the Union Response to Performance-based-wages Reform in Japan

Tsutomu Miyoshi (Doshisha University)

It can safely be said that the roles of the labor union have not been accurately appreciated in the wages system reform in recent Japan. This paper describes the collective bargaining concerning the wages system reform in the case of company A. We find not only the union leadership and efforts to advocate workers' interests in the negotiation process but also their new assertion concerning the performance-based-wages reform. The new assertion involves a notion that both

the union and the management should determine the 'absolute' prices of labor by levels of skills and roles, which is a new adventure in terms of the transparency of wage determination. To realize this notion, the union made efforts not only in bargaining with the management but in the gaining acceptance of the notion among their membership. Contrary to the common observation that the influence of the enterprise union would decline through individualization of employment by means of performance-based-pay systems, the finding suggests there appears the possibility of new industrial relations emerging. It makes for a viable environment in which individual assessment of work performance is regarded highly with the protection by collectively agreed transparent wage determination rules.

Conceptual Arrangement of Types of Workplace Bullying and "Power Harassment"

Meguru Sugimura (Japan Institute for Labour Policy and Training), **Yūsuke Naganuma** (Waseda University)

This paper discusses how we should bridge the gap of awareness of workplace bullying among victims and third parties, using the type list of "power harassment" (virtually equivalent to workplace bullying) showed by Ministry of Health, Labour, and Welfare. In recent years, workplace bullying is increasing and becoming more serious in Japan. Notwithstanding, it is hard to say that third parties such as labor unions and firms appropriately grasp and respond to workplace bullying. It is considered that victims endure bullying because they think cannot find a solution even if they talk with third parties. Since putting up with bullying could cause poor mental health, it is important that third parties properly deal with bullying so that victims do not have to endure it. However, in some cases while the victims easily realize the bullying, it is not so easy for third parties to recognize it. We insist that workplace bullying should be recognized based on the subjectivity of the victims, because we cannot understand what kind of act is recognized as bullying to victims, and how much they have been hurt by the bullying.

Where Have All the Surplus Employees in Life Insurance Industry Gone?

Koichi Koyama (Hosei University)

Since the amendment of the insurance business law in April 1996, deregulation of the life insurance industry has led to market trends such as shifts in the insurance contract structure. Along with this, the employment structure in the life insurance industry has also changed. As a result the number of sales office managers in the sales rep path is continuously decreasing. From now on, sales office managers in the sales rep path will be required to move outside of the company because of the decrease in sales offices. The main conclusion of this paper is as follows: career education for sales office managers is needed to move outside the company. Life insurance companies should not place new graduate employees in the sales rep path.

College Recruiting in US Business Firms: Systematic Recruitment of Future Officers and Professionals from New Graduates

Teiichi Sekiguchi (Chuo University)

It has long been understood that the periodical mass recruiting of new college graduates is a practice distinctive to Japanese large business firms. This unique recruitment practice has been recognized as an essential part of the Japanese style employment system ("life-long employment" and "seniority based" compensation-promotion system and so on). In contrast to this, it has been a conventional wisdom that, in the US and European economies, college graduates are hired through competitive external labor markets (i.e. "experienced hiring") and given no special treatments after hiring, such as a long and intense initial training period and an opportunity to express a job area of their choice after that. Using long-term (1947-1994) data collected by the placement center of the Northwest-

ern University, this paper overviews and examines the actual state of the firmly established new college graduate recruitment practice (“campus recruiting” or “college recruiting”) of the major US business firms, compares it to the Japanese recruitment practice, and deduces some implications for the further comparative studies of employment systems in developed economies.

Current Situation of Female Participation in the Labor Market and Government Policy in South Korea: Focus on Affirmative Action for Improvement of Employment

Myoung-Jung KIM (NLI Research Institute)

The South Korean government has enforced affirmative action since March 1, 2006 for the expansion of female employment and improvement of gender discrimination. By enforcing affirmative action for improvement of employment, the rates of female employment and female managers are rising gradually. The gap between male and female in terms of position classification at the workplace is also decreasing. However, it is still hard to say that female employment has improved in the qualitative side. With respect to the government policy relating to female employment, it is necessary to shift the focus away from simple quantity increase towards qualitative improvement in the future. Attention should be paid to what kind of female employment policy Park Geun-hye, who is the first female president of South Korea, will implement from now on.

Collective Consent to Unfavorably Modified Work Rules in Korea: Requirement for Valid Modification or Binding Effect

Hyosook Park (The University of Tokyo)

The Article 94 Clause 1 Proviso of the Labor Standard Act in Korea, the Rules of Employment Regulations, Unfavorable Modifications of Working Conditions, requires the workers' collective consent for the unfavorable modification of working condition. However, if there is no collective consent from workers, would the Employment Regulations on Unfavorable Modifications of Working Conditions be negated in Korea? Before the decision in 1992, the employment regulations on Unfavorable Modifications of Working Conditions without the workers' collective consent had been invalid and it had had no effect even for newly hired workers. In overruling the former position, the Supreme Court passed a judgment that changing Employment Regulations without the consent of workers had to be valid in the case of new employees whose rights are not infringed. This paper aims to introduce and analyze the precedents and academic theories on whether workers' collective consent regarding Unfavorable Modifications of Working Conditions in Korea is a necessary condition for a valid modification of the existing law or whether it is a condition to effectively bind older workers to the previous terms.