

**Japanese-British Comparison of Higher Education and Human Resource Development:
Relation between Recruitment and Training in Companies and University Education,
Findings from Company Interviews**

Summary

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Objective of the Research

While the number of atypical employees continues to rise and new graduates are rigorously screened for employment in recent years, the existing Japanese model of human resource development, based on long-term employment, is becoming a less stable model even for university graduates. On the other hand, while a consensus has been reached on the educational principle of fostering “ability to pursue one’s own end” in the universalized higher education, it is not yet clear what constitutes this ability and how it is related to vocational activities. Therefore, one of the important topics concerning Japan’s vocational ability development policy is the question of what roles are companies and higher education playing in the acquisition of the required ability, knowledge, and skills in today’s economic society and in the formation of competency in using such ability, knowledge, and skills for executing one’s occupational duties and how it can be reformed. Furthermore, as the number of university students who graduate without having secured employment is on the increase, shedding light on the role of companies and higher education in vocational ability formation is important also from the viewpoint of providing employment assistance to such youths.

In light of this understanding, this report aims to elucidate the relation between companies' recruitment and training of university graduates and higher education's ability formation. This is done based on comparison with the situation in the U.K. and examination of companies' evaluation. We hope thereby to supply basic information that may be used in the policy formation on vocational ability development and on youth employment assistance.

Outline of the Report

1. Research Topics

In Chapter 1, the basic research objectives are indicated. After widely reviewing related literature and sorting out the arguments, three research topics were set, as follows:

Research topics

1) Elucidation of the relation between the weight given to acquisition of expertise in higher education and companies' recruitment and human resources development

As discussed later, this comparative survey between Japan and Britain was designed based on what has been accumulated through the long-term Japanese-European comparative studies of higher education and occupation. According to the typical understanding of Japanese and European higher education systems, the labor market in Japan is segmented based on educational levels and the school one has attended, whereas the labor market in Europe developed along the lines of professional occupations, suggesting that less significance is attached to acquiring professional knowledge and skills in university education in Japan compared to in Europe. The first topic of this research is to clarify whether such tendency is the result of the corporate management principles and practices of Japanese and European companies or it reflects characteristics of the economy and society in which companies are located. This will be done by studying how Japanese and European companies are recruiting and training university graduates and how they evaluate knowledge, skills, abilities, etc. acquired at university. Among the European countries, we selected the U.K. for comparative survey between Japan, for the reason that will be explained later.

By considering the differences in light of Japanese and European universities' educational characteristics (e.g. focus on work experience, level of concentration on

academic learning), it may be possible to obtain information that would lead to recommendations on university education reform from the viewpoint of vocational human resources development. In Europe today, with the popularization of higher education, less consistency between specialized field and occupation is drawing attention, while in Japan, there are apparently rising expectations among companies on practical and specialized vocational ability over trainability, under ongoing review of the Japanese employment practices. In other words, it is possible to assume hypothetically that Japanese and European systems which have opposite characteristics are gradually becoming closer and increasing similarities. We should also be able to verify in what aspects or in which economic fields and corporate entities this change is occurring.

Moreover, the ways of vocational ability formation significantly governs one's first job search activities and are greatly related to companies' employment practices. By identifying uniqueness and commonalities in Japan and the U.K. with regard to transition to the first job as well as relevant support measures, we will be able to obtain information based on which to examine methods for assisting university students and graduates find employment.

2) Contribution to research on “transition from education to work”

In pedagogy, there have been developments in “research on the transition from education to working life” since the 1990s in Japan and abroad, while in economics, the concept of “competency” developed out of the framework of “skills” versus “trainability” to subsume both skills and trainability. This theme is considered as advanced even in the Japanese Association of Higher Education Research and other societies alike, and are currently being examined (see Yoshimoto, 2001; Ogata 2001 etc.). Moreover, issues such as young *freeters* as discussed by Kosugi (2003), and *parasite singles* in their late 20s (Yamada, 1999) can also be re-examined as issues related to education and competency. In the light of contemporary academic trends and by focusing on cross-national frameworks, this research will attempt to grasp Japan's higher education and labor market through intensive interview surveys, taking into consideration the investigative studies conducted by Yoshimoto, Kosugi and other researchers on “early stages of the careers of university graduates”.

3) Review of the findings from “research on higher education and occupation in Japan and Europe” (CHEERS)

In relation to the above research topic, the Japan Institute for Labour organized in 1998 the “Study Group on International Comparison of Transition of University

Graduates to Employment” (organizer: Keiichi Yoshimoto). At the same time, the study group, with Keiichi Yoshimoto as the research representative, was able to obtain a Grant-in-Aid for Scientific Research from fiscal year 1998 to 2000 for the research titled “Empirical Study on Higher Education and Labor Market in Japan and Europe.” The study group proceeded to conduct a survey in Japan and comparative analyses of the data of Japan and 11 European countries on the university experience of university graduates’ and occupational career, for an empirical study by the common framework.

Specifically, the group conducted a mail survey in 1998 on university graduates in Japan and 11 European countries (the members from 9 European countries were participants in the “Higher Education and Graduate Employment in Europe” headed by Teichler) by using common questionnaire sheets. The actual survey covered 100,000 university graduates in 12 countries from 1998 to 1999. In Japan, with the cooperation of 46 universities nationwide, the questions were sent to a cohort of some 10,000 university graduates who graduated 3 years ago and who graduated 8 to 10 years ago, and collected 3,421 samples and 2,585 samples, respectively. In Europe, 34,145 samples were collected. (The effective response rates were over 30 percent in both Japan and Europe. In some European countries, it was close to 50 percent.)

The main findings can be summarized as follows: (1) Compared with their European counterparts, university graduates in Japan are moving into working life relatively smoothly, and their income level is also high. In particular, the level of support provided by universities to help students find employment is high, which is matched only by support provided to a part of university graduates in the U.K. However, the level of utilization of knowledge gained through university education by university graduates in Japan is significantly low. (2) University experiences of university graduates’ in Japan is characterized by their young age when entering and graduating from a university, short period of enrollment, and little work experiences. This contrasts with the situation in Scandinavian countries where there are many adult students, or in the U.K. where it is mixture of both young and adult students. (3) The low level of utilization of knowledge gained at a university by graduates in Japan has to do with the young age at which they graduate and with little work experience. Even in Japan, work experience in a field related to one’s academic specialization leads to effective utilization of knowledge gained at a university in one’s early career after graduation (in particular, Yoshimoto, 2001).

The above results are consistent with the analysis (Yoshimoto, 1999) of the Japan Institute of Labour’s survey on university graduates carried out from 1992 to 1993 and a follow-up survey conducted in 1998. However, the analysis at the current stage

leaves the following questions unanswered.

The above assessment of university graduates' ability is based solely on the responses provided by university graduates to the questionnaire survey (therefore, their own evaluation). On the question of how university graduates' knowledge, skills, and ability are actually utilized within companies, it is essential to consider in each country the assignment and transfer of graduates in the workplace during the formative stage of their early careers, and to hear the views of their superiors and personnel officers. In this respect, it is necessary to conduct an interview survey on graduates and companies. Our European partners in this research have already carried out such interviews in nine countries in 2000 and have published an official report (Teichler *et al.* 2000).

To compare Japan and Europe through an interview survey on companies, it is necessary to take into consideration the differences in the framework of people's perceptions that arise from the basic differences in institutions and structures (see Yoshimoto, 2001; Paul, Teichler and van der Verden, 2000). Therefore, a systematic survey framework and sampling are important in comparing the perceptions of Japanese-affiliated companies operating in Europe and the perceptions of the branches of European companies in Japan on university graduates. In other words, there is a need to comprehensively understand the institutional and structural features of higher education and labor markets, and, taking into consideration the differences among European countries, to grasp the institutional and structural characteristics of "the transition from higher education to work" in Japan (Brennan, Morgan and Teichler, 1995; Yoshimoto and Yamada, 2003). Also, as well as conducting in-depth investigation of the trends in each country, it is necessary to examine the trends in different countries collectively, since previous comparative researches of the trends in different countries were often limited to comparison between two countries.

2. Method of the Research

The method of the research is also described in Chapter 1 of the report. In the section below, researches that have been recently accumulated in preparation of the Japanese-British comparative study and the framework of the comparative study based on those preceding researches are excerpted from Chapter 1. In Chapter 2, the reasons for choosing the U.K. for comparison are summarized, indicating that Japan and the U.K. have four similarities as explained below, and therefore comparison of the two countries is effective.

Preparation

This research approaches the issues comprehensively in light of the previous researches accumulated by the “Study Group on Employment of University Graduates” and the “Study Group on International Comparison of Transition of University Graduates to Work.” In addition, research activities shown below were carried out in fiscal year 2004 by virtually the same members of this research’s study group in preparation of the comparative survey between Japan and the U.K. The research activities were funded by Grants-in-Aid for Scientific Research.

(1) Research planning and coordination and (re)analysis of existing data

Previous researches on the knowledge, skills, and ability (considered here as “competency in the broad sense”) of university graduates, companies’ need for such competency, and the contribution made by university education in fostering such competency in Japan and European countries were examined. The unique features about social perceptions were also examined in each country. Also, in parallel with a survey on university graduates, an interview survey on some 20 companies (including ventures and IT companies) in each of 9 European countries was carried out.

In particular, the data that our overseas joint researchers obtained from interviews on companies in the U.K., which is the subject of comparison in this research, as well as in Germany, France, and the Netherlands were reanalyzed (see Yamada, 2004).

(2) Interview survey on Japanese and European companies

To exclude the influence of corporate management policies of each country when considering the characteristics of the labor market of university graduates, the interview survey focused on Japanese-affiliated companies operating in Europe, European-affiliated companies operating in Japan, and for the sake of comparison, local, “indigenous” companies. The survey was conducted on recruiters of companies, who were asked questions on employment, early careers, competency, and university education.

Challenges of the survey

The survey was designed through close cooperation between Japan and the U.K. that developed during the above mentioned comparative research on higher education and employment in 11 European countries and Japan, in which a common feature of Japan and the U.K on the importance of academic degrees as part of one’s career information was identified. At the same time, the common differences that both Japan and the U.K. had as opposed to the Continental Europe were also identified.

One of the conclusions drawn from this comparative research of 12 countries was related to the importance of “problem solving ability” as a key competency. But it is still not clear what the concept of “problem solving” actually mean. Moreover, the process through which university graduates acquire such ability and whether or not they actually use such ability in their occupational life are also not clear. In the previous research, we have approached these questions mainly from the viewpoints of university graduates and through quantitative analysis. In this survey, we approach the questions from the viewpoints of companies (employers) in Japan and the U.K. and through qualitative analysis.

Method of the survey

We have conducted interviews on officers in charge of recruitment, personnel, and education in Japanese-affiliated companies and divisions operating in the U.K. as well as British companies operating in Japan on questions of recruitment and early-stage development of university graduates (focusing particularly on clerical and sales staff members who majored in arts and social sciences). For the sake of comparison and to take into consideration the cultural and social contexts, a pair of Japanese and British researchers conducts the interviews.

The main questions of the interviews are as follows: (1) Recruitment of employees as a whole and recruitment of new university graduates; (2) early career paths and career development in the first ten years after graduation; (3) knowledge, skills, and ability (competency) that should be developed through university education; and (4) how university education should be reformed and developed with regard to the required competency.

The interviews are conducted from July to early December 2004.

The meaning of comparing Japan and the U.K.

1) Experience of popularization of higher education and similarities in the trend of diversification among “university graduates”

In Japan, close to 50 percent of high school students go on to study at a university straight after finishing high school, and it rises to almost 70 percent when those who go on to vocational colleges are included. In the U.K., on the other hand, the promotion of the status of polytechnics to university in 1992 has institutionally brought a sharp increase in the number of university students by dissolving the dual structure of higher education. The percentage (Age Participation Index) of youths going on to university (bachelor’s full-time and sandwich courses) rose sharply from 19 percent in 1990/91 to

36 percent in 2001/02. When the higher-education courses of further education institutes are included, 65 percent of youths at age of 18 are enrolled in a full-time course. This means that both in Japan and the U.K., “university graduates” are diversifying; in other words, “university graduates” cannot simply be regarded as “the elite taking on the leadership role in the future society.” This is the first common point between Japan and the U.K. and a trend that cannot be observed in many Continental European countries that have not experienced rapid popularization in the university sector.

2) Similarities in the connection between secondary and higher education

Compared with other European countries, students in the U.K. enter universities at a young age, a trend that is close to that of Japan. In the U.K., there are students who enter universities in their teens after completing high school as well as adult students in their late 20s, but more than 80 percent of students in the “old universities” (universities which existed prior to 1992) are the former. Moreover, most students in both Japan and the U.K. enter universities without any experience of working, which is different from Continental European countries where 30 to 40 percent of students have work experience prior to entering universities.

3) Similarities in how universities are regarded institutionally and socially

The standard duration required for graduating from universities is four years in Japan and three years in the U.K. (England), and the first academic degree conferred upon completion, according to the ISCED standard, is the bachelor’s degree in both countries. In contrast, in the Continental Europe and particularly in Germany and the Netherlands, although the standard duration is four years, the number of years that students are regularly enrolled at universities is six years. The first degree conferred upon completion, therefore, is equivalent to a master’s degree. If we categorize universities by the length of time for acquisition of the first degree, Japanese and British universities will fall into the “short term“, while most universities in the Continental Europe in the “long term”. The average number of hours students study at universities is about the same in the U.K. and Japan, a level that is considered low by the Continental European standard. Another similarity between Japan and the U.K. is the weak connection between students’ work experience while at university and what they are studying. With regard to universities’ function to provide training in specialized skills, students at Japanese and British universities are regarded as being at a stage where they will think about which career paths to choose, and training in specialized skills is considered as a subject dealt with at the graduate school level after

a decision on one's career path has been made. In the Continental Europe, in contrast, training in specialized skills is considered as a subject dealt with at the university (undergraduate) level, and in countries like Germany and the Netherlands, separate higher education institutions exist to provide higher professional education, which are clearly different from the situation in Japan and the U.K.

4) Similarities in the process of transition to employment

In the U.K., many university students begin job search activities before they graduate, and many use universities' job guidance departments and information centers for this purpose. This is markedly different from students in other European countries. Although the percentage of such students is still not as high as in Japan, universities play an important role in the process of transition to employment in both Japan and the U.K., where young university graduates gain little intensive job experience before graduation..

From the reasons mentioned above, we believe there is considerable significance in having the U.K. as the subject of comparison on higher education and human resource training, particularly when we consider higher education.

3. Outline of the Survey Results and Policy Implications

The analysis of the results of the survey is contained in Chapters 3 to 7.

In Chapter 3, we examine the mechanism of university graduate employment in the U.K. as well as the occupational relevance of university education from interviews conducted on British companies and Japanese-affiliated companies in Britain. In the U.K., there is a recruitment route called the "graduate program," or "graduate scheme," for employment of new university graduates. The graduate program is a structured education and training program lasting a few years, and university graduates are intentionally rotated so they can experience a number of work. However, because they are rotated within the same department, the job change is within a limited field. After the completion of the graduate program, they start to work as regular employees, but as it was found in the survey, it appears that the program is not necessarily for people on the fast track who are assured their future. It is rather a program for recruiting university graduates who have little work experience but are potentially of high competence and for providing them with early-stage training within a company. Outside the graduate program, new university graduates may be employed by companies, but such employment does not necessarily require university graduation. In such cases, university graduates practically consider their first job after graduation

as a means of gaining work experience, and both the employer and employee are more or less aware that the employee will probably leave the job after a short period of employment. It should be noted, however, that this is intentional resignation from work in the course of acquiring professional skills and competency, and may not be of the same nature as the early separation from work seen in Japan.

On occupational relevance of university education, we conducted interviews mainly on companies that had the “graduate program” for this survey. We found out, however, that there were cases even in recruitment of clerical and sales jobs where major in specific fields was required. There was also a tendency where companies do not require specific fields of specialization that they prefer graduates who majored in business-related fields. As for the graduating school, some companies consider that it is less important than the fields of specialization, while others specifically target a certain group of universities for recruitment. In addition, many companies require graduates to attain grades of an upper second class degree or higher and emphasize the importance of A-level GCE grades before entering university. In other words, companies see poor grade as a problem no matter how good a university one has graduated from, which implies the companies’ intention to check graduates’ academic achievement while at university, and it seems that the trust given to the university grades is stronger in the U.K. than in Japan. However, it should be reminded that the subjects of this study were limited to relatively large companies and therefore further studies are necessary to elucidate whether the emphasis on grades in the “graduate program” is a general practice. Although not a prerequisite, there is in practice a strong emphasis on work experience as well. In this case, the experience should not be in any work but work in related fields. This suggests that even in “graduate program,” employment is not limited solely to new university graduates.

In the U.K., recruitment methods are very much standardized, and it was generally the case for companies to adopt the recruitment process of screening of application materials, followed by an interview and an intensive capability check at an assessment center. Interviews are not the chat-style interviews generally seen in Japan but are structured around questions related to the candidate’s skills. The interviews are conducted to check the candidate’s attitude characteristics and other soft skills, however, there may be some difference between Japan and the U.K. regarding how personality is emphasized. As is often pointed out with large companies (where entering a company is like becoming a member of the club without transfers) Japanese companies tend to give emphasis on the candidate’s personality, whereas companies in the U.K. are more geared towards checking the candidate’s human skill required to perform duties in a

specific field.

From the above comparison with the British system of transition from universities to work, we can obtain several implications related to the increase in Japan in the number of youths who do not start work after graduating and who continue to change jobs even though they are employed immediately after graduation. Firstly, when the movement of university graduates in their early careers is considered as movement accompanied by accumulation of skills, it implies that a system could be built where education and training of employees in their 20s are undertaken not by universities alone but jointly by universities and companies. In this case, the role of universities' job guidance departments to assist in the transition will not decline, but there will be an increasing need to reinforce the private-sector system for supporting those in their 20s to find employment. Secondly, while the possibility cannot be denied that the recruitment methods of large Japanese companies would become more similar to those in Europe and the U.S. with the effect of globalization, it is still not clear whether the skills-based recruitment method would be introduced which takes into account the university graduates' fields of specialization and grades. As in the case of British companies, such a recruitment method to a certain extent premises department-based recruitment. In Japan, such change may occur not in the recruitment of university graduates but in the recruitment of those who finish graduate schools. The third implication is related to the assessment of work experience at the time of hiring. The strong emphasis placed in the U.K. on work experience in related fields presupposes a transition system that is not based on the assumption that graduation translates into start of employment. How much emphasis will be given to work experience in Japan will depend on in what types of companies and to what extent the change will occur in the mechanism of collective employment of new university graduates.

In Chapter 4, the early career paths of university graduates in the U.K. is examined based on the same survey conducted on companies in the U.K. Many of the companies interviewed had clearly structured "graduate programs" or were hoping to introduce such programs in the future. While the "graduate programs" have their prototype in the recruitment of management trainees for the fast track, they can be regarded as a framework for symbolically clarifying the in-house training route, given the fact that such programs have been kept in existence even though a large number of people are actually employed outside the programs and most of such employees are frequently transferred in the early stages of their careers. Those in the graduate programs gain work experience for two to three years and not longer than five years after being employed. During this period, they are transferred to different departments or jobs

every six months to a year and receive education and training. In many cases, the programs are structured in view of the department or job the employees would ultimately be assigned to, but in equally many cases, they are personalized programs.

If we look at the subsequent career paths, it is observable that in many cases the completion of an employee's early career is set at around the age of 30. The processes leading up to that point are varied and differ from individual to individual. Compared with the cases of companies operating in Japan, it is difficult to discern early career paths that have been standardized based on set stages. Therefore, it may be that there are no particular concepts related to introduction and formation of early career paths.

With regard to the knowledge, skills, and ability required at the time of recruitment and at the introduction of an early career path, few companies mentioned that they required job-specific knowledge, skills and ability (with exception in technical and R&D jobs), and most mentioned the requirement of more general abilities such as "communication ability." However, the companies' emphasis, at the time of hiring, on the recruits' basic knowledge in the field of specialization in university education is in contrast to Japanese companies, which hardly take such a point into consideration.

From Chapters 5 to 7, we compare British companies, Japanese-affiliated companies in Britain, Japanese companies, and British-affiliated companies in Japan.

In Chapter 5, we compare employees' early careers and educational programs provided by large companies. When a company moves into another country, it cannot carry out its operations in that country by imposing on the early career management model for university graduates that was developed in the company's native country and without adjusting the model in accordance with the host country's educational system, society and culture. Therefore, foreign-affiliated companies must engage in a mental and virtual experiment in adjusting these cultural tensions. Therefore, by comparing foreign-affiliated companies with local companies which carry out their activities within a particular system and culture, and by exploring foreign-affiliated companies' recruitment and educational methods that remain different from those of the local companies despite operating in a different system and culture from their native country's, it may be possible to identify the thoughts and principles that were unique to the foreign-affiliated companies' native country. At the same time, if we can observe how foreign-affiliated companies were integrating host country's culture into their behavioral patterns, we can also identify how influential and pervasive the host country's model is. The main topic in this chapter is to elucidate how foreign affiliates are adjusting the organizational and cultural tensions. For this purpose, we examine the activities of Japanese-affiliated companies, British-affiliated companies, and other

foreign affiliates in recruiting university graduates in Japan and the U.K., how the companies set the stages of their employees' early careers, and how they provide education and training for their nurture. We analyze their similarities and differences.

For this purpose, we have selected and analyzed the cases of four global multinational companies. Firstly, two cases are mentioned as being characteristic. The first is the case of a foreign-affiliated company operating in Japan that has adopted a management model very close to the "Japanese" model. The other is the case of a Japanese-affiliated company that, despite being located in the City, the U.K.'s financial center, and despite the majority of its employees being recruited in their mid careers, has maintained its "Japanese roots" by clearly setting down an early career path starting from employment of new graduates and by indicating in a model the relation between the job hierarchy and employees' age.

In the case of a Japanese company operating in Japan, the company has clearly set down an early career path as a detailed program of training for entry-level and advanced jobs in each department. In comparison, a British company and the Japanese-affiliated company in the U.K. provide intensive education and training only in the first few years after recruitment through the "graduate program," and education and training after that has not been standardized and differ for each employee. Even though there is the "fast track" for university graduates selected as candidates of future managers, they are nonetheless routinely provided the same conditions for career formation as mid-career recruits once they finish the "graduate program," from which we can observe the characteristics of the environment in the U.K.. This is particularly perceivable in the case of the Japanese affiliated company, which has the basic policy to allocate those who can contribute to the company's profitability at the deputy chief level, and provides the "graduate program" for this purpose, indicating the company's effort to adapt to the globalized environment in the U.K.

Chapter 6 analyses a chemical and pharmaceutical company by focusing on the recruitment and training of medical representatives (MR). Firstly, it is found out that the recruitment categories differ among companies in Japan and the U.K. In the U.K., recruitment of university graduates is generally segmented into the recruitment of career track candidates (periodic recruitment) and the recruitment for the vacant post (vacancy filling). MRs are apparently hired when vacancies occur, Graduation from a university is not necessarily a requirement, and those who have not graduated from a university are also recruited. In contrast, British-affiliated companies in Japan recruited mainly university graduates in their employment of MRs through periodic

recruitment. Moreover, there was a trend where after they were employed as MRs, they receive training to become managers of sales or training in marketing to become managers of marketing.

With respect to the turn over rate of a British company in the U.K., it is low in the first three years of employment, but it rises to a certain level after that. This is closely related to the training given after employment for employees to obtain a qualification. In both the U.K. and Japan, the qualification of the MR is given by industry associations, and relatively hard training is required to obtain the qualification. In Japan, it normally takes eight months to prepare, whereas in the U.K., it takes about 18 months of training and preparation, which is longer than in Japan. Job separation in the U.K. occurs after employees have received the training and obtained the qualification. The British companies do not consider this loss of trained personnel to be a serious problem, and they think that it is natural for employees to seek to better their careers. This is because the companies recruit MRs in mid career who received training at other companies, and it is like the industry as a whole is providing training to MRs. Therefore, the investment in initial training is considered to be reasonable. Also in Japan, there seems to be a shortage of MRs, and a certain number of job leavers and transfers exist as in the U.K.

With regard to the recruits' specialization at universities, faculties are often not a consideration in the case of recruitment of MRs in both the U.K. and Japan. In the case of recruitment of R&D personnel in pharmaceutical and biological area, on the other hand, academic knowledge is an important consideration. The difference between Japan and the U.K. on how the recruits are evaluated regarding their university education is one of how their grades are evaluated. British companies in the U.K. see importance in grades at university or at high school, whereas in Japan, relatively speaking, grades are not considered to be so important partly because comparison of grades of different universities is difficult.

Both Japanese- and British-affiliated companies are not necessarily satisfied with university education. In particular, they are concerned about the lack of soft skills of university graduates at the time of hire. It is interesting to note that the British company in the U.K. pointed out that British university graduates are not sufficiently mature (in comparison with university graduates in the Continental Europe). We need to further explore to what degree soft skills can be developed through university education.

In Chapter 7, we focus on the recruitment and training of white-collar clerical workers in the manufacturing industry for comparative analysis. As our first finding,

it was confirmed that both Japanese companies in Japan and Japanese-affiliated companies in the U.K. provided systematic in-house education in the form of newcomers' training and training by job type, and, there were certain career paths in parallel to such in-house trainings,.

Secondly, both the Japanese companies and British companies considered "general ability," which included personality, adaptability to the organizational activities, and social skill, to be more important than "specialized ability," which has immediate effect on job performance. The companies' basic recruitment policy was that even if recruits had not acquired "specialized knowledge and skills" through university education, the companies could train them to acquire such knowledge and skills through in-house education, and, therefore, such knowledge and skills were not considered to be important at the time of hire.

Thirdly, the Japanese-affiliated companies in the U.K. checked the candidates' results of examinations at their respective universities as well as grades (an upper second class degree or higher) and the A-level GCE grades when employing new university graduates. In contrast, there were Japanese companies that deleted the space for writing in the name of the candidates' graduating university from the entry sheets, that regarded recruitment and candidates' grades at university to be irrelevant, and that did not recognize the value of an academic degree. There was a difference between Japan and the U.K. in how they regarded university graduates' grades and academic degrees.

In Chapter 8, we review university graduates' transition process to their first jobs in the U.K. based on ancillary interviews conducted on British universities' job guidance departments and private temporary employment agencies.

In the U.K., there are, broadly speaking, two patterns of transition from university to occupation. One is where students and graduates make a smooth, stable transition to occupation by applying to companies' "graduate programs" while at university or a year or two after graduation and also using the services provided by universities' job guidance departments (career centers). The other is where students and graduates start off by taking on limited-term employment for some time before and after graduating from university through private job placement agencies and temporary employment agencies. The university career centers play an important role. Because companies place an emphasis on soft skills and work experience as a means to acquiring soft skills, career centers act as intermediaries in finding students jobs from which to gain work experience and run other programs for actively developing students' soft skills. The centers also provide a variety of services, including career counseling for individual students, paying visits to companies to find job openings, and inviting

companies to the campus for an opportunity to interview students. The number accepted to the “graduate programs” is small, and only those with good grades can apply. Therefore, the career centers support students on the path of limited-term employment make decisions about their next steps in their careers, which may also include employment in the non-profit sector or entrepreneurship. The private job placement agencies, on the other hand, are used to gain work experience that may lead to employment at other companies. Those in this path will acquire certain skills as they change jobs and settle down after several years.

In comparison with the transition of university graduates in Japan, there are wider options available and more leeway as to time at the time of graduation for university graduates in the U.K. This is because university graduates can apply for jobs as new graduates for about three years after graduation and because the careers that start off with the limited-term employment are not closed ones but there is fluidity to allow those in this path to join large companies in mid careers. Even though students who apply to the “graduate programs” begin their job-search activities more than a year before graduation, there have been no problem with the negative effect such activities might have on their academic work.

In Chapter 9, we present, as a conclusion, four hypotheses originating from the interview survey, as summarized below.

1) Multilayered recruitment and training processes for university graduates in the U.K.

In the U.K., there is a multilayered labor market for new university graduates.

Because of the framework used for this research, most of the parent companies were giant corporations, most of which provided the “graduate programs” for training new university graduates over a period of several years. Applicants to the graduate programs must have grades in the top ranks and are further subjected to rigorous screening. Most of the employees who finish the graduate program will go on to have a career in which they will become the key employees in their companies. The “fast-track” program for candidates of future managers is also one of such programs.

There are not a few people who, after having gone through a graduate or fast-track program, transfer to another company or organization. As a result, small- and medium-sized companies that do not have the resources for recruiting and training new university graduates headhunt employees of large companies who have completed the graduate program and have become “full-fledged” in society, instead of preparing graduate programs by themselves.

From the point of view of university students, this means that there are completely

different transition processes existing in parallel. For a handful of university graduates, organized and systematic training is provided for their transition to world of work, and possibilities are open to them, including opportunities to transfer to other companies. The large number of remaining university graduates, on the other hand, do not have such opportunity for training. They repeatedly change jobs to gain work experience and to determine their aptitude, and may take recurrent study to prepare for a career. After some time, they form their early careers.

2) British universities providing support with the concept of “career”

At a university we visited for this interview survey, career services were provided not only for finding employment, but also for applying to graduate schools. The whole concept was to provide support literally for students’ “careers.” In the career center, information on graduate schools was stacked alongside information on companies. In cooperation with other universities that provided similar services, the center had prepared pamphlets for students on the know-how on how to write CVs, do self-analysis, and otherwise prepare for employment or further study. Career counseling and aptitude tests were also available from a specialized full-time staff.

On the other hand, most Japanese universities have a view only to preparing the minimum required environment for students and to students’ employment immediately after graduation. Universities’ role and support in providing “career education” in the process of forming students’ mid- to long-term careers is being discussed in Japan as well, but job guidance organizations with the capability for providing comprehensive assistance, as we saw in the British example, are still exceptional.

3) Japan and Europe coming closer in their transition systems

When we look at the employment of university students in Japan and Europe, we can see that Japan and Europe are moving more in the same direction on a number of points. Firstly, the smooth transition from university to the world of work in Japan is based on the assumption that most people will follow “a life’s timetable” based on age. However, the advent of the universalization of higher education necessitates a change to the type of support provided based on the assumption that a homogenous group of people of the same age will make a linear and simultaneous transition in accordance with the “timetable,” and a new type of support is also needed to help people restart their careers at universities and graduate schools. In this respect, the Japanese system will have to become closer to the European transition system. On the other hand, in relation to the fact that transition from university to work is not as smoothly linked in Europe as in

Japan, there are discussions in Europe on how to provide support for the transition particularly to young university graduates. In reinforcing and improving the system of support, the Japanese model of support can serve as a reference, and, in this respect, it is clear that the U.K. is in an intermediate position between Japan and Europe when addressing these common challenges.

4) Independent university-educated specialists and review of the role of higher education

In the Continental Europe, there is a rising demand for a new type of specialists, and it is increasingly difficult to meet this demand simply by linking one's field of specialization with an occupation through a qualification system. It is considered that Continental European countries are becoming more like Japan and the U.K., which have not linked one's area of specialization with work in the first place. On the other hand, there are some moves in Japan to require employees in jobs in finance, accounting, and legal affairs to come from related academic departments, which may be approaching the model of the Continental Europe.

This discussion on linking specialist jobs with undergraduate education, however, may be misdirected if the differences in the role of the university in Japan and the U.K., on one hand, and Continental European countries, on the other, are not comprehensively understood. In other words, the university in Japan and the U.K. are considered as a stage of "itinerancy," so to speak, for students to explore which careers might be suited to them, and specialist training is regarded as a topic that should be examined at the graduate-school level after the "itinerancy." In contrast, specialist training in Continental European countries is considered to be one that should be provided by universities. In such a case, rather than make a shift to the Continental European model of providing specialist training at the undergraduate level, Japan could, in light of the British experience, aim towards establishing greater depth and breadth to the undergraduate programs.

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