

# **Research Study on Diversification of Working Places and Working Hours**

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This paper investigates and discusses the reality and issues of the diversification of working places and working hours. I conducted a questionnaire survey involving approximately 6,400 regular employees and carried out interviews with companies that already put in place the home-based work system. In this study, I found the following: The apparent flexibility of working hours leads to longer hours of works. In Japan, the “flexibility” of working hours contributes to longer working hours for many regular employees. In addition, a worker having more than one working place or a worker working at his/her own home tends to work longer. Many of those who work at home, in reality, perform, at their discretion, “overtime work at home.” Measures to reduce such overtime work at home include the utilization of the home-based work system which allows workers to perform their jobs at their homes. Yet, in order to avoid lack of communication, to alleviate a sense of unfairness and to prevent long hours of works, the flexibility in designing and implementing the home-based work system will be of importance.

## **I. The Aims and Objectives of This Study**

If the “diversification” means more options for working people and if such “diversification” can more appropriately address their needs for work and lifestyle, the “diversification” would benefit them. It seems that, in discussion of the “diversification,” its “positive effects” are frequently emphasized. A major issue concerning “the diversification of employment types” is, of course, the equal treatment of regular employees and non-regular employees, and the reality of “the diversification of employment types” by far falls short of “equal pay for equal work.”

The introduction of “de facto working hours (deemed working hours)” stipulated in the Labor Standards Act as revised in 1987 is intended to relax the working time management of regular working hours in a certain number of job categories for which it would be inappropriate to measure job performance based on working hours.<sup>1</sup> According to the General Survey on Working Conditions conducted by the Ministry of Health, Labour and Welfare, the ratio of enterprises with 30 or more employees adopting a “ de facto (deemed) working hour system”<sup>2</sup> rose from 8.1% in 2003 to 10.5% in 2008. In addition, the wider use of information communication devices and the development of information and telecommunication infra-

<sup>1</sup> It is still necessary that increased wages for overtime work are paid for hours worked at night and on statutory holidays.

<sup>2</sup> The total of companies that have adopted the system of “de factor working hours outside the workplace,” “discretionary labor systems for specialists” and “discretionary labor systems for planning-type jobs.”

structures allow workers to carry out their jobs without always having to go to work. “Telework,” including home-based work systems, also attracts increasing attention. Traditionally, many of on-the-go salespersons have more than one workplace. In short, in recent years, “working hours” and “workplaces” as well as “employment types” are increasingly “diversified.”

To date, however, few research studies clearly identified the reality and problems of the “diversification” of workplaces and of working hours. ”The diversification of working places” attracts attention mainly for so called “telework” which provides various ways of work by allowing workers to flexibly arrange when and where to work with the use of telecommunications equipment. Preceding research studies focused mainly on “working at home,” which is typical among independent contractors and SOHO workers.<sup>3</sup> In other words, few have studied the “diversification of working places” for those employed by companies or organizations. While some preceding research studies referred to home-based work (telecommuting) systems adopted by certain companies, it is still necessary to discuss, in the context of “the diversification of working places,” ways of working for on-the-go sales representatives and others whose working places are not always fixed and for managers and those in professional positions who often perform overtime work at home at night or on holidays. In addition, although a number of studies and discussions have been carried out concerning “the diversification of working hours,” little is known about actual conditions of a wider range of workers, including managerial employees who often work overtime without receiving regular overtime payments as well as sales representatives and those engaged in discretionary labor to whom “the de facto working hour system” applies.

Aren’t there problems associated with the “diversification” of workplaces and of working hours? A few studies on “the diversification of working hours” already pointed out that the superficial “diversification” would rather lead to longer working hours.<sup>4</sup> Then, how about “the diversification of working places”? If it is possible to work at home without having to go to work several days a week, workers’ needs for both work and living may be satisfied. Yet, in the case where a worker working at a workplace during regular working hours takes his/her work home, the work performed at home outside of regular working hours may result in longer working hours.

The main purpose of this study is to examine the reality of the “diversification” of workplaces and working hours for workers employed by companies and organizations to identify problems associated with the “diversification,” based on the awareness of the issues mentioned above. In order to achieve the main purpose, I used questionnaires involving regular employees. I also carried out interviews with companies that already put in place the home-based work system for their regular employees to understand the details and the cur-

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<sup>3</sup> Ogura and Fujimoto (2008) reviewed preceding studies on “telework,” and this paper reflects the findings from Ogura and Fujimoto (2008).

<sup>4</sup> In this regard, Ogura and Fujimoto (2007) concluded that “workers under relaxed control of working hours” tend to work longer hours.

rent circumstances of their home-based work arrangements that could not be identified by the questionnaires. Companies interviewed in this study are generally considered as “forward-thinking” companies in terms of the introduction of the home-based work arrangements. This study attempts to examine, by investigating the reality of “the diversification” in details, what kind of system and what kind of application of the work-at-home system will really benefit workers and their employers and what kind of issues should be addressed in introducing and implementing the system.

## **II. Summary of Research Results**

### **1. Summary of the Questionnaire Survey of Workers**

#### **(1) Purpose**

The purpose of the questionnaire survey is to understand the reality of the diversification of working places and of working hours for employed workers (regular employees) to identify issues to be addressed.<sup>5</sup>

#### **(2) Method of the Survey**

As evident from previous studies (Ogura and Fujimoto 2008), only a small number of businesses adopted the “home-based work” system, and accordingly, the number of employees who are permitted to “work at home” is estimated to be small. For this reason, it is appropriate to conduct a relatively large-scale survey. I conducted a survey by mail, with due consideration to budgetary considerations.

#### **(3) How to Select Survey Respondents**

I set the sampling rate to survey “regular employees,” according to the distribution by age and sex of “employed people” aged between 20 and 59 years who responded in the census “engaged in work” based on the National Census findings in 2005. Then I selected 8,000 people among all survey cooperators (mail survey cooperators only, excluding Internet survey cooperators) who were thought to be “regular employed workers.”<sup>6</sup> There was no indi-

<sup>5</sup> This survey targeted only regular employees. Though non-regular employee also experience the diversification of working places and working hours, in this paper I limit the discussion on regular employees, who represent the majority of workers, because no survey of this kind (concerning employed workers) has ever conducted before and because I give due consideration to the efficiency of the survey. I expected that, in so doing, I could, to a certain degree, eliminate outliers in terms of working hours, incomes and the like, from survey responses to enhance the reliability of the survey results.

<sup>6</sup> There was no individual attribute category of “regular employee” in the survey cooperators surveyed by a research firm, so I selected those who were grouped by the research firm as “company employees (general),” “company employees (managerial positions),” and “public servants” only, and sent questionnaires to them at a ratio of 8:1:1. I also took into account the possibility that they were no longer regular employees at the time of the survey, and for this reason, I included, in the questionnaires, questions concerning their working styles and employment type as of the time of survey. In this way, I

vidual attribute category of “regular employee” in the survey cooperators, yet I identified details of individual attributes as far as possible to select survey targets. Unlike a complete enumeration such as a national census, I cannot say that the representativeness of such survey samples is not questionable at all. I can, however, say that this survey is meaningful enough when due consideration is given to different constraints in carrying out the survey and other constraints, based on findings from previous studies concerning the validity of findings from research studies which also employed mail-in surveys (The Japan Institute for Labour Policy and Training 2005).

#### (4) Timing of the Survey and the Number of Responses Collected

I sent the questionnaires by mail and collected responses in September, 2008. I collected 7,057 responses from 8,000 people surveyed. (The response rate was 88.2%.) The number of valid responses (i.e. the number of responses from those considered to be regular employees) obtained was 6,430. The survey results presented in this report are based on the responses of these 6,430 regular employees.

#### (5) Major Survey Items

Basic attributes of individual workers and companies they work, items concerning working hours (including the working hour system applied, how the times to start and finish work are being managed, the length of working hours, etc.), items concerning places to work (including “whether one has jobs at places other than his/her regular workplaces,” types of workplaces other than regular workplaces and how often jobs are performed at workplaces other than regular workplaces, working hours spent to perform such jobs, etc.) and workers’ attitudes concerning their works and lifestyles. (For more details, see the questionnaires at the back of this paper.)

#### (6) Distribution of the Survey Respondents

Tables 1 and 2 show the distribution of the survey respondents in this survey. Table 1 demonstrates that, according to this survey, there was not so much difference, in spite of a relatively high age distribution. As Table 2 shows, there was not so much difference, either, in spite of some differences among “manufacturing,” “wholesale and retail trade” and “financial and insurance.”

## 2. Major Survey Results

#### (1) Diversification of Working Hours

I took into account that “the diversification of working hours” leads to the workers’ freedom to “work whenever they want” to a certain extent, with no fixed time to start or finish

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selected only regular employees for aggregation and analysis. The total of more than 300,000 mail survey cooperators are being registered with the research firm.

Table 1. Responses Collected in This Survey and Comparison with Findings from Employment Status Survey (Regular Employees) by Age and Sex

	Survey Results in This Study			Employment Status Survey (2007)		
	Total	Men	Women	Total	Men	Women
20 to 29 years old	18.3	14.4	27.8	22.0	18.5	30.1
30 to 39 years old	25.7	26.1	24.9	30.4	31.6	27.7
40 to 49 years old	28.7	30.6	23.9	24.2	25.5	21.3
50 to 59 years old	27.3	28.9	23.4	23.3	24.3	21.0
Total (N)	100.0 (6430)	100.0 (4562)	100.0 (1868)	100.0 (32122)	100.0 (22410)	100.0 (9713)

\*Figures in parentheses in Employment Status Survey are in thousands of persons.

Table 2. Responses Collected in This Survey and Comparison with Findings from Employment Status Survey (Regular Employees) by Sex and Industry Sector

	Survey Results in This Study			Employment Status Survey		
	Total	Men	Women	Total	Men	Women
Agriculture, forestry, fisheries, mining	0.3	0.3	0.3	1.0	0.9	1.4
Construction	6.4	7.0	5.0	8.7	10.9	3.7
Manufacturing	24.1	27.9	15.0	21.7	24.9	14.3
Electricity, gas, heat supply and water	2.1	2.6	0.9	1.0	1.3	0.2
Information and communications	5.6	6.5	3.5	4.5	5.2	2.9
Transport and postal services	5.9	7.4	2.2	6.2	8.1	1.9
Wholesale and retail trade	10.1	9.6	11.1	14.3	13.7	15.4
Finance and insurance	6.3	4.7	10.4	3.5	2.7	5.2
Real estate/Goods rental and leasing	1.3	1.3	1.2	1.1	1.0	1.2
Eating and drinking places, accommodations	1.5	1.5	1.6	2.4	2.2	2.8
Education, learning support	4.5	3.5	7.0	5.2	4.0	7.7
Medical, health care and welfare	8.5	3.8	20.0	10.3	3.7	25.4
Compound service (post office, cooperative associations)	0.6	0.6	0.5	1.1	1.2	1.0
Services not elsewhere classified	13.3	13.5	12.7	11.0	10.8	11.4
Government	6.6	7.2	5.1	5.6	6.7	3.1
Others	2.9	2.6	3.6	2.5	2.6	2.5
Total (N)	100.0 (6394)	100.0 (4541)	100.0 (1853)	100.0 (34324)	100.0 (23799)	100.0 (10526)

\*Figures in parentheses in Employment Status Survey are in thousands of persons. The classification of job categories above corresponds to that in Employment Status Survey in 2007.

the work. Accordingly, first of all, I focused on working hour systems. In this study, I considered “the discretionary work system and de facto working hour system” and “systems without management of working hours” as especially “flexible” working hour systems among a number of working hour systems.<sup>7</sup> As Figure 1 shows, the ratio of workers under “the discretionary work system and de facto working hour system” is the highest in “sales and

<sup>7</sup> In the questionnaires, works performed under “the discretionary labor system and de facto working hour system” were defined as “professional jobs, marketing jobs, planning jobs that are subject to law,” and workers under “the system without management of working hours” as “workers in managerial positions and the like other than those working under the discretionary labor system and de facto working hour system.” I consider that those working under systems “without management of working hours” include those who can carry out self-certification of their working hours.

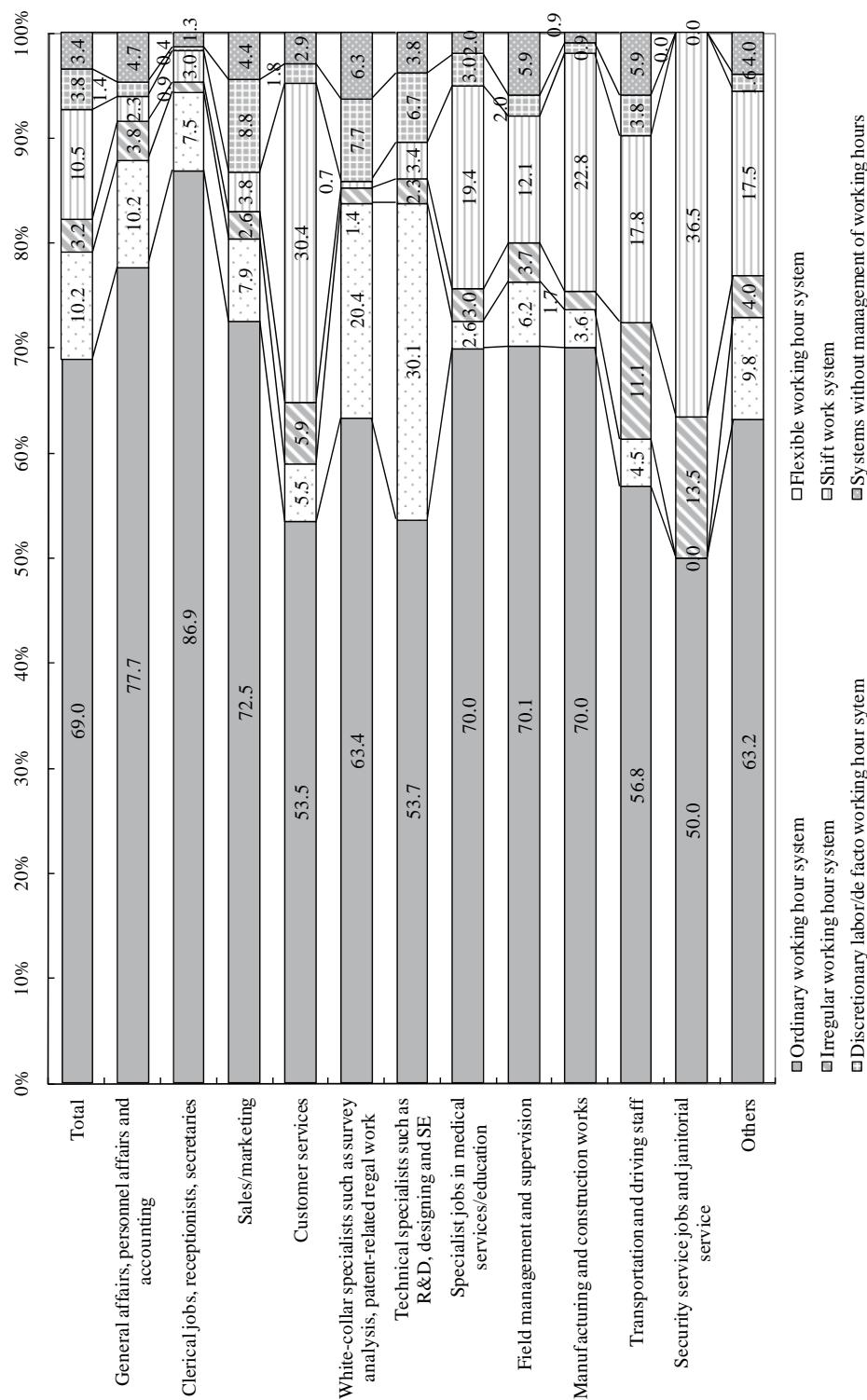


Figure 1. Working Hour System by Job Category

marketing (8.8%),” followed by “white-collar specialist jobs (7.7%)” and “technical specialist jobs (6.7%).” The ratio of workers under “systems without management of working hours” is high in several sectors, including “white-collar specialist jobs (6.3%),” “field management and supervision jobs (5.9%)” and “transportation and driving staff (5.9%).”

Figure 2 shows the relationships between working hour systems and “the total hours worked.”<sup>8</sup> The ratio of categories of “longer working hours” is high among workers under systems which are considered as “flexible” working hour systems. More precisely, the ratio of workers working for “241 to 280 hours” and “281 hours or longer” is high among those under “the discretionary work system and de facto working hour system,” and the ratio of those working for “281 hours or longer” is also high among those under “systems without management of working hours.” Accordingly, the ratio of workers working for shorter hours is low among those under “the discretionary work system and de facto working hour system” and “systems without management of working hours.” This indicates the possibility that “flexibility” in working hours may result in longer hours of works.

In addition, findings from analysis examining the causal relationship between the diversity of working hours and the total hours worked, on the assumption that various attributes of employers and individuals were constant, demonstrated that workers under a seeming “flexible” working hour system or those having a number of working places tend to work longer. This paper is not concerned with details of findings from the analysis.

Under present conditions, “ways of working that allow workers to work whenever they want” often contribute to long working hours. In addition, it is highly possible that ways of working where workers have more than one workplace and those that allow people to work at home also lead to longer hours of works.

The diversification of working hours essentially should serve to respond to fluctuating business needs and to better satisfy the personal needs of individual workers. However, overall, the diversification contributes to longer working hours. This is a serious problem we have to address, and I believe that reducing long hours of work is a top priority.

Flexible working hour systems should essentially allow workers to increase or reduce the number of hours worked, as the situation demands, but on the contrary the systems actually tend to increase hours worked. It is necessary that the flexibility of working hours should serve the purpose of “reducing hours worked, when the situation permits.”

## (2) Diversification of Working Places

In this study, I broadly defined “the diversification of working places” as “having an opportunity to work at places other than one’s usual workplace of an organization or a business one works for.” Based on this broad definition, in the questionnaires, respondents who said that they had such opportunities were asked to answer questions about the types of

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<sup>8</sup> “Total hours worked” include working hours per month including unpaid overtime working hours.

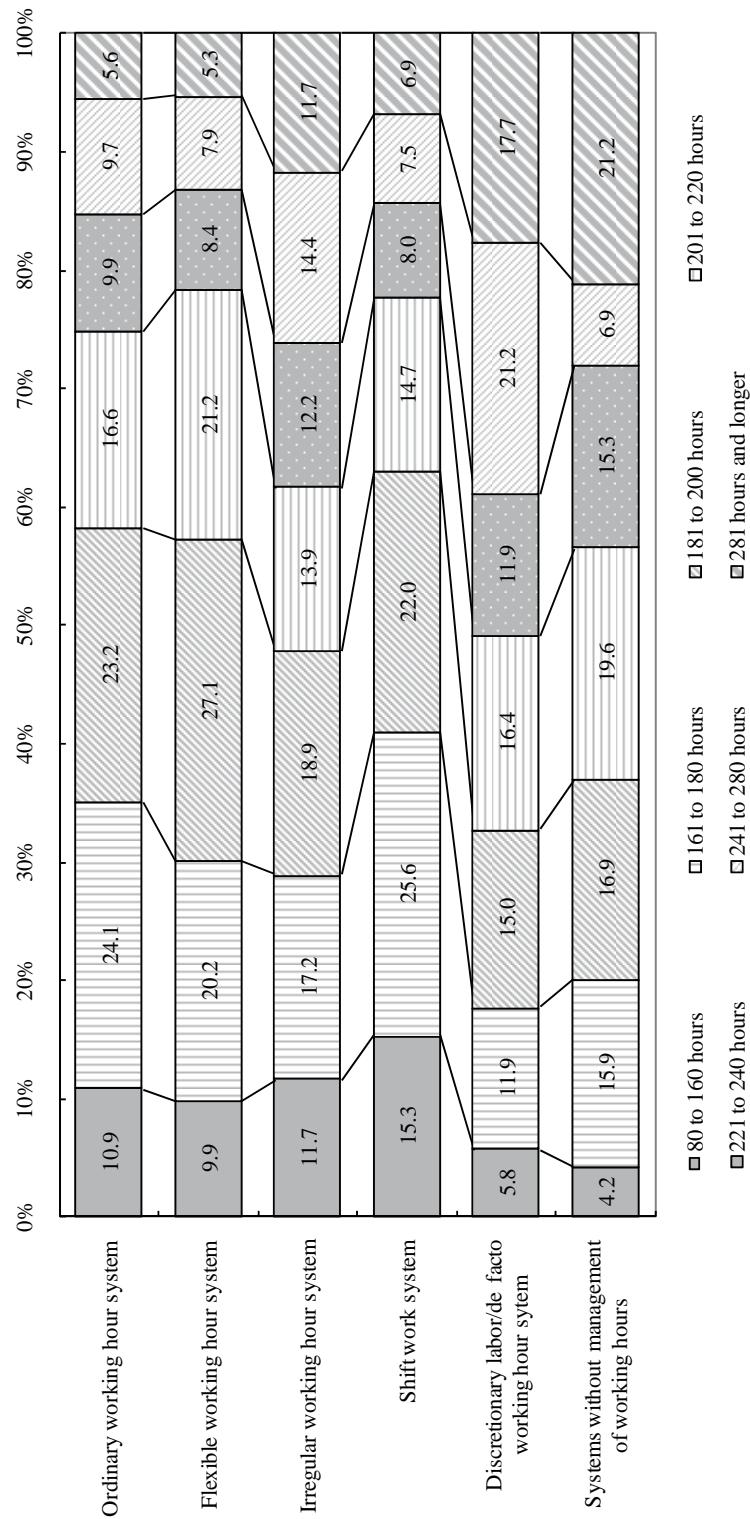


Figure 2. Total Working Hours by Working Hour System

their working places and how often they had such opportunities.<sup>9</sup>

Previous research studies concerning working places focused mainly on telework, and the primary concern of many of them is home-based work (telecommuting). Telework works can be grouped into several types according to the place of work (working at a worker's own home, by facility utilization, or in a mobile environment) and according to how often one carries out "teleworking" (Ogura and Fujimoto 2008, 6). Many studies have lumped together all the cases as "teleworking." A study concerning employers conducted by JILPT in 2008 asked questions about details of teleworking, by grouping places of work into four: "completely home-based work," "partly home-based work," "mobile work" and "working at one's second office."<sup>10</sup> Findings from the study showed that less than 10% of the companies surveyed already institutionalized teleworking systems or effectively allowed their employees to carry out "teleworking," for each place of work.<sup>11</sup> In addition, other studies concerning individual workers demonstrated that the number of people making use of home-based work systems was still small (Sato 2008).

As above mentioned, however, many workers, including on-the-road salespersons, managerial employees and specialist employees, are more likely to work outside of their usual workplaces of organizations or businesses they work for, regardless of whether home-based work systems are available or not. In the light of the above, in this study, I do not use the term "telework" to examine the reality of workers having opportunities to work at places "other than" their usual workplaces. I assume seven different working places other than workers' usual workplaces, including "home," "other offices of the employer," "offices or plants of customers," "when travelling by transportation or at accommodation facilities" and "others" after having referred to classifications found in other studies on enterprises and corporate case examples.

Figure 3 shows "whether workers have opportunities to work at places other than usual workplaces"<sup>12</sup> by job category. The ratio of workers having opportunities to work at places other than their usual workplaces is high among "sales and marketing (61.7%)," followed by "white-collar specialist jobs such as survey analysis and patent-related legal work (57.3%)," "technical specialist jobs such as research and development, designing and system

<sup>9</sup> It is theoretically possible that one never shows up at the office, if his/her "usual working place of an organization or a business he/she works for" is solely "his/her own home." In other words, precise information about such employees (For example, precise information about "works performed at home" of employees in a completely "work-at-home" position who always work at their own home) is not available. As previous studies demonstrated, however, I can hardly find such regular employed workers. In the first place, nearly all of workers in a completely work-at-home position are independent contractors or self-employed persons who perform "work at home." In this study, respondents who said that they had "no opportunity to work at a place other than their regular workplaces" were asked to give their reasons, and none of them cited "completely home-based work" as their reasons.

<sup>10</sup> For the definition of each working place, see JILPT (2008).

<sup>11</sup> For the detailed findings, see JILPT (2008).

<sup>12</sup> More precisely, it means "places other than their usual workplaces of organizations or companies they work for," and hereinafter referred to as "places other than usual workplaces."

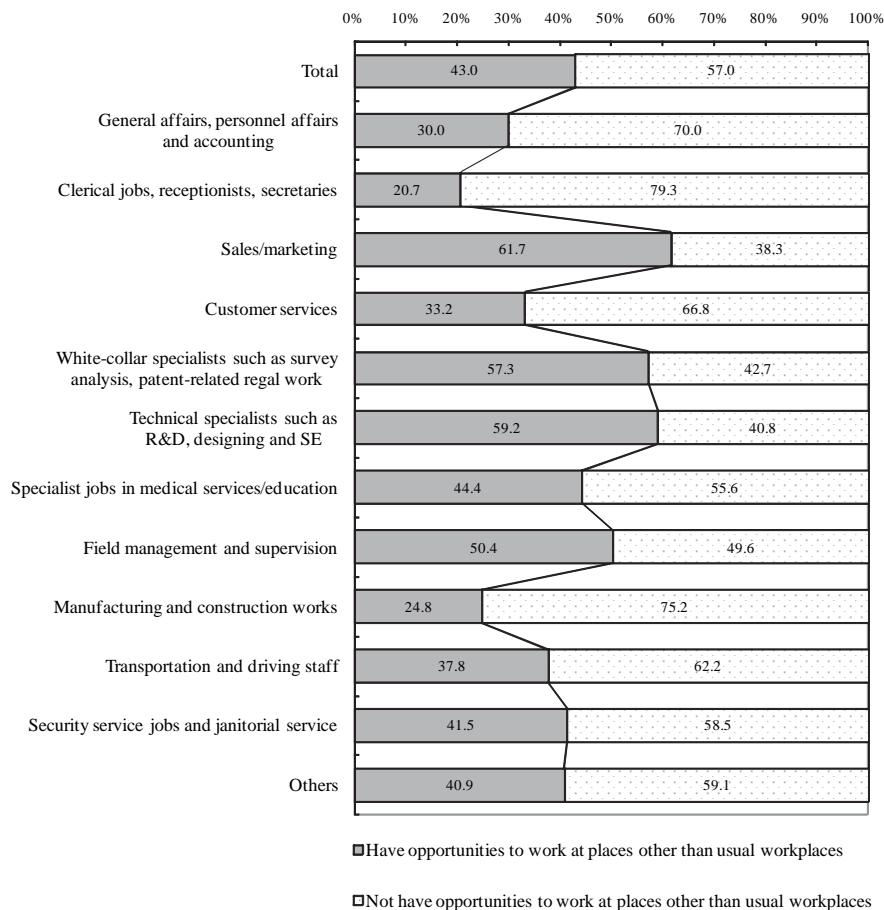


Figure 3. Ratio of Workers Working at Places Other Than Usual Workplaces, by Job Category

engineering (59.2%)” and “field management and supervision jobs (50.0%).”

Table 3 shows whether workers work at places other than usual workplaces, for each working hour system. The ratio of respondents who answered that “they have workplaces other than usual workplaces” is high among those working under the “discretionary labor system and de facto working hour system (73.7%)” and those working under “systems without management of working hours (67.7%),” and low among those working under the “shift work system (23.8%).” This indicates a correlation between the “flexibility” of the working hour system and working places.

Figure 4 shows the ratio of workers working at places other than usual workplaces, by total hours worked. It indicates that the longer the total hours worked, the higher the respondents who answered that they had workplaces other than usual ones. This indicates the

Table 3. Ratio of Workers Working at Places Other Than Usual Workplaces,  
by Working Hour System

	Have opportunities to work at places other than usual workplaces	Not have opportunities to work at places other than usual workplaces	Total	(N)
Ordinary working hour system	41.1	58.9	100.0	(4406)
Flexible working hour system	54.2	45.8	100.0	(650)
Irregular working hour system	50.5	49.5	100.0	(202)
Shift work system	23.8	76.2	100.0	(669)
Discretionary labor/de facto working hour system	73.7	26.3	100.0	(243)
Systems without management of working hours	67.7	32.3	100.0	(220)

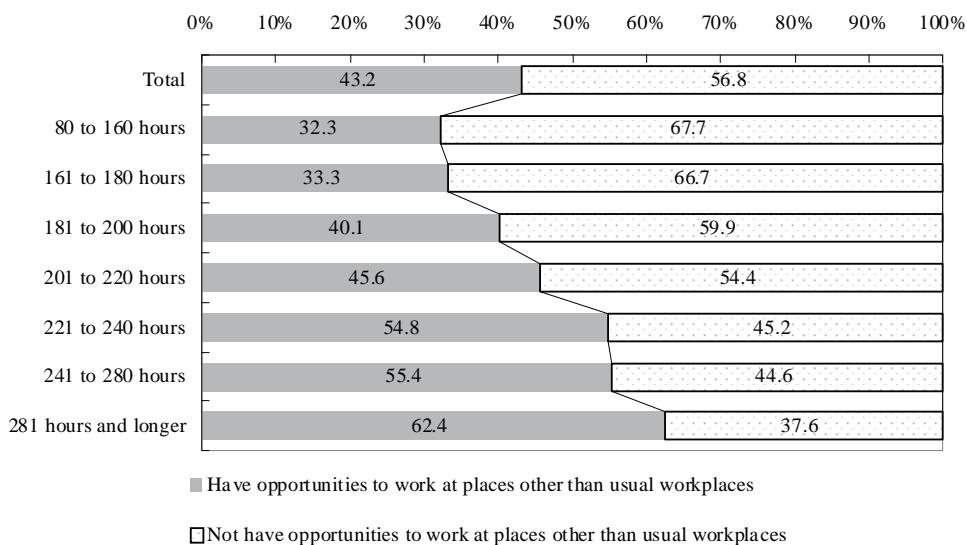


Figure 4. Whether Workers Work at Places Other Than Usual Workplaces,  
by the Total Hours Worked

possibility that the “diversification” of workplaces will lead to longer hours of works. While this study is not concerned here with details of findings from the survey, the survey results showed that the more working places other than usual workplaces workers had, the longer the total hours worked would be.

Table 4 illustrates the types of workplaces other than usual ones and the frequency of working at such workplaces. First, I would like to focus attention to the percentage of those who answered “Never work there.” The ratio is the lowest for “other offices of the employer” at 35.6%, followed by “offices or plants of customers” at 49.5% and “home” at 63.2%. The

Table 4. Workplaces Other Than Usual Workplaces and How Often They Work There (%)

	Almost every- day	Three to four days a week	One to two days a week	One to three days a month	Less than one day a month	Never work there	Total	(N)
Other offices of the employer	4.7	3.6	9.6	19.9	26.5	35.6	100.0	(2449)
At home	4.7	3.4	8.0	12.3	8.3	63.2	100.0	(2324)
Offices or factoris of customers	12.0	6.5	8.3	11.8	12.0	49.5	100.0	(2368)
When traveling by transportation	3.3	1.8	3.0	5.0	4.7	82.3	100.0	(2267)
At accommodation facilities	0.4	0.2	1.3	5.2	8.1	84.7	100.0	(2259)
At coffee shops	0.2	0.4	1.6	2.8	3.5	91.5	100.0	(2247)
Others	4.9	1.7	1.4	3.9	5.4	82.6	100.0	(1981)

ratio for “all other places” exceeds 80%. In other words, the respondents frequently worked at the three types of working places above mentioned. The ratio of those working “almost everyday” at “offices or plants of customers” is relatively high at 12.0%. This probably reflects how sales representatives and others visit their customers.

Although figures and tables are not shown in this paper, when asked about the advantages of working at places other than usual workplaces, the largest number of respondents (46.0%) answered “productivity and efficiency increase” for working at “other offices of the employer,” and the largest number (48.1%) also answered “productivity and efficiency increase” for working “at home.” Asked about working “at offices or factories of customers,” the largest number (39.6%) cited “customer service improves” as the most important advantage. At the same time, 34.8%, 27.0% and 30.1% of the respondents found no advantage in working at “other offices of the employer,” “at home” and “at offices or factories of customers,” respectively.

Asked about the disadvantages of working at places other than usual workplaces, as the most important disadvantage, the largest number (43.2%) of workers working “at other offices of the employer” cited “working hours tend to be longer;” 59.1% and 55.9% of those working at “home” cited “it is difficult to separate work from private time” and “working hours tend to be longer,” respectively; and 32.6% of those working at “offices or factories of customers” cited “working hours tend to be longer.”

There are still needs for home-based works. 24.2% of the respondents who were working neither at usual workplaces of the employer nor at home said that they hoped to work “at home.” As for other places, only few people, or less than 10% of the respondents, expressed such hope. This indicates that those who are not allowed to work “at home” wish,

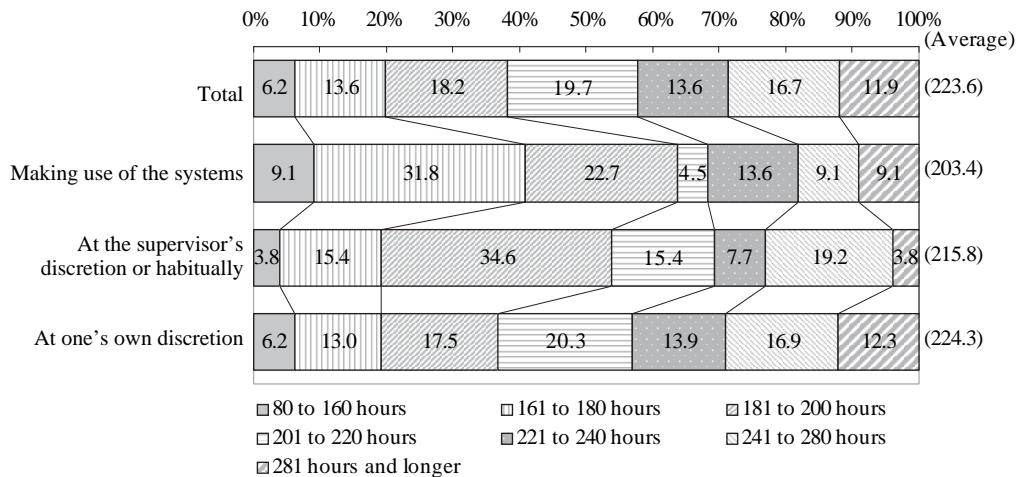


Figure 5. Total Hours Worked by System Concerning Work-at-Home

more or less, to work at “home.” The same tendency was observed among those who were working at places other than usual workplaces. 36.0% of the all respondents wished to work “at home.”

The total hours worked among those who “make use of the work-at-home system” tended to be shorter than the total hours among those who “work at home at the supervisor’s discretion or work at home habitually” or among those who “work at home at own discretion” (See Figure 5).

As discussed above, a worker who has a variety of workplaces works in flexible ways of working to some extent. However, among those who were working at home, many “took their works home” at their own discretion, and this practice tended to contribute to longer working hours. To reduce longer working hours spent for work taken home by workers’ discretion, it is considered essential to institutionalize “work taken home and performed at home” as a system concerning working hours. This is probably because such a system would allow workers to more easily distinguish various ways of working in many ways. According to the findings from this survey, however, only a limited number of respondents actually made use of the work-at-home system. Accordingly, I cannot draw any decisive conclusion, but I can suggest that we have to discuss the ways of working at home, for the purpose of preventing long working hours which result from the practice of “taking work home,” because many of the respondents who were not working at any place other than their usual workplaces cited “home” as the place where they wished to work if possible and there are seemingly needs for home-based work.

### 3. Findings from the Interviews with Companies

I carried out a survey on teleworking works performed mainly at home by interviewing 10 private-sector enterprises (in the manufacturing, information communications and service

sectors) in 2007 and 2008. These 10 enterprises were all considered as forward-looking case examples in preceding studies and researches.

All of the 10 enterprises interviewed in this study were considered to relatively smoothly implement the system of teleworking or the system of home-based work. In discussion on the system of home-based work, we have to pay special attention to the fact that every company surveyed allowed institutionally their employees to partially work at home once or twice a week, for example, by making use of existing internal rules. It is also noteworthy the system of partial work-at-home was adopted and being implemented as a system which addressed different values of each company, including changes in working styles, diversified ways of working, and employees' needs, and as a system, in particular, which served to allow employees responsible for child rearing or elderly care to fulfil such responsibilities while performing their work duties at the same time. In other words, as far as I have learned from case examples of the interview data, the practice of partial home-based working is a working pattern designed and established as a system aimed at contributing to the work-life-balance<sup>13</sup> (hereinafter referred to as "WLB") of employees, and also as a form of working at home included in the category of "teleworking" which utilizes information communication devices.

Based on the above discussion, I conclude findings from the interviews and surveys, concerning the effects of working at home, supportive facts, efforts to address problems and challenges for the future home-based work, as follows.

### (1) Effects of Home-Based Work Arrangements

The introduction of home-based work arrangements enables employers to better meet employees' needs in terms of WLB, and allows employees to spend more time in child rearing or elderly care and with family as they can save time by not having to go to work everyday. It was also observed that home-based work arrangements allowed employers to better prevent employees, in particular, female employees, from quitting their jobs for reasons of child rearing or elderly care, and benefited employees because they did not have to quit their jobs thanks to home-based work arrangements. In addition, home-based work arrangements enabled employees doing home-based work to perform their individual-based jobs in a better-planned and efficient manner and to better concentrate (and enhance productivity) when working at home.

A number of prior studies and researches<sup>14</sup> already pointed out the above mentioned

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<sup>13</sup> There is no official and clear definition of "work-life-balance." It has been interpreted in broad sense as "to cope with both work and family life" and is often used as a term which refers to the conditions which allow people to cope with the both and a system or measure to support people who have to cope with the both. In this section, in particular, it is used as a term referring to the conditions which enable workers to fulfil their responsibilities for child rearing and elderly nursing care while performing their work duties at the same time.

<sup>14</sup> The most recent studies in this regard include Ogura and Fujimoto (2008) and The Japan Institute for Labour Policy and Training (2008).

effects, and this interview survey again confirmed them. Then what kind of factual factors support the above mentioned positive effects of home-based work?

## (2) Facts and Factors That Support the Implementation of Home-Based Work Arrangements

Findings from the interviews with the companies show that the employers interviewed in this study which seemingly introduced and operated work-at-home arrangements in a relatively favorable manner have the following characteristics:

- (i) Giving the highest priority to employees' job satisfaction (in order to allow them to continue to work for the employer, to prevent them from quitting their jobs, and to promote their willingness to work);
- (ii) Considering the introduction of or actually having introduced home-based work arrangements in response to strong needs of employees, and implementing such arrangements and policies underlying them in a top-down manner (regardless of whether the top-down manner directly led to the introduction of work-at-home arrangements);
- (iii) Making work-at-home systems as user-friendly as possible, by easing requirements and procedures for eligible applicants; and
- (iv) Leaving the actual operation of the arrangements to each department (supervisor) to which a person making use of work-at-home arrangements belongs.<sup>15</sup>

In some cases, work-at-home arrangements are implemented in a favorable manner even when not all of the above factors are put in place. Accordingly, these factors are believed to be mutually complementary.

All of the above mentioned are factors involving how employers (including general affairs or personnel affairs departments or other sections responsible for work-at-home systems) consider the introduction of home-based arrangements, and how they introduce and actually operate them. Then what is important for employees making use of home-based-work arrangements and for their supervisors who are actually responsible for implementing the arrangements? Though I did not interview such employees or their supervisors concerning the arrangements (while in some cases, persons who answered my questionnaires happened to be employees using such arrangements and their supervisors), as findings from the interviews and the requirements for the use of home-based work systems show, it is important that

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<sup>15</sup> On the contrary, though it is only a speculation, we can consider that, in cases where the employer sets up a short-term and concrete financial profit or business models (commercialization of work-at-home arrangements as ways of working), where the employer has not introduced work-at-home arrangements in a top-down manner, where such arrangements are difficult to make use of (because of being designed in too much detail in order to avoid having troubles), or where the actual operation of such arrangements is not left to a section to which an employee who makes use of such arrangements belongs to, such systems/arrangements are not being operated in a favorable manner in relative terms. This is also an important consideration when introducing a work-at-home system designed to better contribute to WLB.

- (v) an applicant for or a user of such home-based work arrangements daily maintains good communication in the workplace;
- (vi) an applicant for or a user of such home-based work arrangements is considered by his/her supervisors and colleagues to be a person who works hard even when no one sees him/her;
- (vii) an applicant for or a user of such home-based work arrangements is a person trusted by his/her supervisors and colleagues and has trust and good relationships with them.<sup>16</sup>

As one's supervisor is a person responsible for receiving applications for or approving the use of the work-at-home system, one has to obtain the trust of one's supervisor. In addition, building up trust and good relationships with one's colleagues will be of high importance, as uncomfortable feeling of a user of the home-based work arrangements about making use of work-at-home systems is believed to serve as an obstacle to the use of such system.

### (3) Challenges for the Future of the Companies Interviewed

Though each employer surveyed is currently operating home-based work arrangements in a favorable manner, I believe that the companies surveyed still have issues to address. While the above mentioned positive effects of the arrangements are considered as "bright sides," there still remain negative effects of such arrangements, as listed below.

Management working hours, issues of overwork and of mental health, work-related accidents, personnel evaluation systems, establishment and reform of good work climates, ensuring of security, ensuring of a feeling of fairness among employees, understanding of the parent company, explanation to employees working under different forms of employment, elimination of prevailing concern that work-at-home arrangements may negatively affect the efficiency of a company as a whole, possible expansion of eligible job categories and possible application of such arrangements to all employees, enhanced publicity to encourage the use of such arrangements, promotion of the use of communication tools, measurement of the effects by conduction questionnaire surveys, and discussion on job types eligible for home-based-work arrangements and on the number of employees eligible for such arrangements at certain sections.

As above listed, there still remain a number of issues, and one can say this means that such arrangements are still under development even in companies that implement such arrangements relatively smoothly. Accordingly, continued researches and studies as well as active collection and provision of relevant information, including forward-looking case examples, will play important roles in the wider use and promotion of home-based-work systems.

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<sup>16</sup> These observations have affinities with the suggestions presented in surveys on individual businesses conducted in Yanagihara (2007).

### III. Conclusion of Policy Challenges

Under present conditions, “the diversification of working places and working hours” results in long working hours for many people, as typically observed in “work taken home and performed at home.” They often work at home and elsewhere at night or on holidays, while working during ordinary working hours as well, in spite of the diversification of working hours.

The diversification of working hours essentially should serve to respond to fluctuating business needs and to better satisfy the personal needs of individual workers, by allowing them to decide “when to work” to a certain degree. In other words, it should essentially allow workers “to increase or reduce the number of hours worked, as the situation demands.” However, for most of workers, the diversification does not provide the option to “reduce working hours.” Likewise, the diversification of workplaces is likely to lead to longer hours of works if it simply increases “work taken home and performed at home.”

As the surveys in this study showed, however, the implementation of home-based work arrangements which allow workers to perform their works at home one or two days a week have positive effects to some extents. One can say that such arrangements will avoid lack of communication and other issues which are possible negative effects in “completely home-based work” where employees have not to go to work at all, and at the same time, such arrangements will serve to enhance efficiency, prevent employees from quitting their jobs, partially solve issues concerning commuting, and alleviate the burden concerning family affairs and child care. This benefits both the employer and the employee.

In conclusion, I should note that, the political implication of this study is that one is required to adopt and implement flexible working structures, including partial home-based work arrangements, while paying careful attention so that the diversification of working places and of working hours will not result in longer hours of works. It is important that the administration should provide information on specific matters, including “what kind of home-based-work arrangements is desirable,” “how such arrangements should be introduced” and “what are important considerations in the introduction.”

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