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# Diversification of Regular Employees' Career Orientations and the Current Status of Careers and Working Styles

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This article seeks first of all to gain an accurate picture of the types of expectations that individual Japanese regular employees have toward their jobs and careers, which we will approach through the concept of “career orientation.” Secondly, it seeks to analyze the extent to which opportunities for job advancement and internal promotion and regular employees’ working styles are diversified in relation to their career orientations. Thirdly, it aims to assess levels of job satisfaction among groups with different career orientations. And finally, it seeks to draw some implications from the findings related to the featured theme of “diversification of regular employees.”

Our findings are as follows: for one thing, the career-orientations of employees are indeed diversified. Their opportunities for job advancement and internal promotion are also diversified corresponding to their career orientations. Also, there are correlations between the length of working hours and career orientation, but only among female employees. In addition, it was found that job satisfaction is lowest among male employees who place a priority on a working style that emphasizes balance between work and private or family life. Based on these findings, we have examined the significance of introducing systems that formally establish multiple employment categories among regular employees to accommodate their different career patterns and working styles according to their diversified career orientations.

## I. Introduction

This article examines the diversification of future career ambitions among regular employees (generally considered as employees who are hired directly by their employers without a predetermined period of employment, and work full-time) in Japan, in light of the concept of “career orientation.”<sup>1</sup> Also, it seeks to clarify the current state of diversification of career orientations of regular employees, and the status of diversification of regular employees’ careers within their companies as they correspond to these career orientations. In addition, this article aims to compare levels of employment satisfaction for each career orientation, and to clarify the respective self-assessments of jobs, careers, and working styles among regular employees grouped by career orientation. Based on the above, this article will examine the significance of diversification of employee categories among regular employees, which is currently the subject of policy discussions in Japan. Here “employee category” refers to groups of employees that differ from one another in terms of one or more

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<sup>1</sup> See Inagami (1981) for a groundbreaking discussion of “career orientation.”

of: career track (potential for, and scope of, promotion), scope of duties, scope of transfers, or work conditions (as defined within enterprises' employment systems and stipulated in labor contracts or work rules).

Today, diversification of workers designated as "regular employees" at Japanese companies is advancing (Sato, Sano, and Hara 2003; Nishimura and Morishima 2009; Japan Institute for Labour Policy and Training 2013). That is, there are increasing examples of introduction of new categories of regular employees that differ in terms of working style or career track from conventional regular employees who are hired without a predetermined period of employment, work full-time, are considered eligible for long-term career formation within their companies, and who experience a range of workplaces and work duties through transfers while advancing to managerial level through successive promotions.

In Japanese companies, since the 1986 enactment of the Equal Employment Opportunity Act, it has become common to have a system in which regular employees are divided into two categories, "managerial career track (*sogoshoku*)" fitting the classic regular employee definition in the preceding paragraph, and "clerical career track (*ippanshoku*)," whose opportunities for promotion and scope of transfers to different workplaces and divisions are often limited. The core of the workforce in the latter category consists of female employees hired immediately after graduation (Wakisaka 1998).

In recent years, however, in addition to "clerical career track," a number of new regular employee categories are being introduced at an increasing number of companies, including "work-type-restricted regular employees," "work-location-restricted regular employees," and "working-hours-restricted regular employees." Depending on their employee category, these employees are exempt from changes in work duties, exempt from transfers to other regions, or have shortened work schedules. Because of restrictions or exemptions applying to these workers, in contrast to conventional regular employees, their employment status is sometimes referred to collectively as "restricted" regular employment.<sup>2</sup>

Under these circumstances there is significant interest, including on the policymaking front, in diversification of regular employee categories as a means of expanding opportunities for regular employment and encouraging a shift from non-regular to regular employee status. (Employment Policy Research Group 2010; Research Group on Diverse Formats of Regular Employment 2012). Work formats entailing restrictions on work location, work type, working hours, etc. have thus far been viewed as primarily the province of non-regular employees, but there are hopes that diversification of regular employee categories will increase the range of regular employment format choices and contribute to meeting the diverse needs of workers hired as regular employees (Hisamoto 2003).

On the other hand, regular employees in these "restricted" categories are also subject to limitations on promotion and advancement within their companies compared to conven-

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<sup>2</sup> For example, Takahashi (2013) defines restricted regular employees as those who "unlike conventional regular employees, are not presupposed to be subject to the company's strong authority of deployment and job assignment."

tional regular employees, and wage levels tend to be lower as well (Takahashi 2013). For this reason there are critical views on the advance of regular employee category diversification. Upper limits on the promotion and advancement of regular employees in certain categories can be seen as stemming from the challenges that enterprises face due to curtailment of the number of managerial posts amid sluggish corporate growth and a trend toward more flat organizations. From enterprises' perspective, diversification of regular employee categories enables them to establish multiple career paths for regular employees, and to improve the efficiency of human resources development by limiting the scope of proactive career formation and investment of training resources to those employees on the managerial promotion track. For employees, fulfillment of individual work needs through reduction of burdens in terms of work type, work location, and working hours compensates for the lack of opportunities for promotion to managerial posts. This can be interpreted as beneficial to companies as they can draw on the contributions of a wider range of regular employees and be more assured of securing necessary human resources (Imano 2010).

So, do these "restricted" regular employment careers and work formats truly meet the needs of regular employees? One prerequisite for widespread and positive acceptance of regular employee category diversification would seem to be that diversification of employment needs among regular employees are actually diversifying, in terms of prioritizing the opportunity to focus on specific types of work or to balance work with home life and non-work activities over the opportunity to advance to a managerial position.<sup>3</sup>

With this in mind, this article will first of all seek to interpret such regular employees' expectations for their professional futures, using the concept of "career orientation," and to elucidate the true status of diversification of people's desired careers and working styles.

Next, this article will attempt to analyze the current status of diversification of actual careers in response to the above-described career orientations.<sup>4</sup> In this regard, previous studies on employee categories have made it clear that setting career paths in accordance with career orientations is one of companies' key objectives in diversifying employee categories (Sato, Sano, and Hara 2003).

The current status of career diversification in response to career orientation reflects two different personnel management process: (i) different career tracks for different indi-

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<sup>3</sup> One can conceive of design of a restricted regular employment system that would incorporate opportunities for promotion and advancement just as conventional regular employment does. However, the discussion in this article presupposes the restricted regular employee classification that is currently prevalent, in which chances for promotion and advancement are restricted.

<sup>4</sup> For the purposes of the analysis herein, this article conceives of career orientation as being, while variable, a more or less stable and consistent perception. If there is indeed a correspondence between the career orientations and actual careers of regular employees, it is possible that (i) enterprises assign employees or allocate tasks with the employees' career orientation in mind, both when designating employee categories and when assigning duties within a given category, and (ii) career orientations may be formed, or evolve, based on preconceptions about prospects for career development. At the same time, even in the latter case, over the short term it appears likely that enterprises do have employees' career orientations in mind when assigning employees to positions or allocating duties.

viduals depending on their regular employee category, and (ii) individualized management of employees, in terms of position and duties, even within a single employee category. With regard to male regular employees in particular, the process of diversification is primarily occurring according to pattern (ii) as male restricted regular employees are not common. Here we would like to clarify whether diversification of careers depending on career orientation is progressing, taking into account the outcomes of individualized management as well.

However, this kind of career diversification does not necessarily meet regular employees' expectations regarding employment sufficiently. With this in mind, a third objective of this article is to analyze self-evaluations of job, career, and working style among regular employees group with different career orientations, with job satisfaction as a benchmark. In doing so, working hours act as a key indicator for working styles corresponding to different career orientations, and are correlated to levels of job satisfaction.

This analysis will employ individual data from the 2nd Survey on Working and Learning conducted by the Japan Institute for Labour Policy and Training between late October 2011 and late January 2012. This survey inquired about 25- to 44-year-old male and female workers' perceptions of their future career paths and current status of careers and working styles,<sup>5</sup> topics that relate to this article. However, this article will focus more narrowly on 25- to 39-year-old regular employees at private-sector companies with 100 or more employees at the time of the survey.<sup>6</sup> This is intended to limit the scope of the analysis to regular employees early in the process of career formation, who are at companies with a scale sufficient for long-term career building within that company and eventual promotion to a managerial position. There are other parameters for each set of tabulated data, including length of continuous employment, in line with the purposes of this analysis.

## II. Diversification of Career Orientation among Regular Employees

Under current circumstances, how diversified are the career orientations of regular employees?<sup>7</sup> To shed light on this question, the survey includes the question "In what way do you hope to work in the future, either at your current employer or at a different one?"

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<sup>5</sup> The survey project members were: Reiko Kosugi (The Japan Institute for Labour Policy and Training), Mei Kagawa (Rikkyo University), Yuzo Yamamoto (Aoyama Gakuin University), Hiroki Sato (The University of Tokyo), Hiromi Hara (Japan Women's University), and Yoshihide Sano (Hosei University) (university affiliations are those held at the time of survey implementation.) The survey results were compiled in a report by the Japan Institute for Labour Policy and Training (2013). The discussions held during this project played a significant role in shaping the contents of this article, and I would like to express my gratitude to the project members. However, the substance of the analysis in this article differs from that of the analysis of the survey report's author.

<sup>6</sup> Enterprise size (number of employees) includes part-time and contracted workers.

<sup>7</sup> In this article the word "diversification" (or "diversify") does not necessarily refer to a process occurring progressively over time, but simply means a varied state of affairs.

This question is intended to elicit respondents' long-term career goals, which do not necessarily involve the career advancement opportunities or employment conditions of their current employers.<sup>8</sup>

The survey took the form of multiple-choice questions relating to the relationship between career and working style, with respondents asked to select one of multiple career orientation options. The options and their interpretations are as follows: (i) "I would like to be in an executive or managerial position" indicates a career orientation that prioritizes promotion to management level. (ii) "I would like to be in a professional position that utilizes specialized knowledge or techniques": compared to (i), these respondents are less interested in promotion to management level than in working in specific areas of specialization. (iii) "I would like to work, without seeking a specific post within the company or specific work contents" suggests a career orientation where rather than opportunities for promotion or specific job duties, job security (stable employment) is the top priority. (iv) "I would like to be able to work, while still prioritizing my private life or life as a member of society" indicates a career orientation where these latter areas are more important than work.<sup>9</sup> The other options are (v) "I would like to take things as they come," implying a flexible attitude where career path depends on circumstances, and (vi) "Not sure" suggests a

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<sup>8</sup> Data that implies the stable nature of career orientations includes: (i) The breakdown of male employees' career orientations remains virtually constant across all age groups (among female regular employees the percentage of "managerial orientation" and "lifestyle orientation" remain virtually constant across age groups), and (ii) when workers are asked, separately by career orientation, about their reasons for choosing their current employers (multiple answers possible) (total number of male and female employees [N]=733), there was a high percentage responding "In order to do the kind of work I want to do" among those with "managerial orientation" (53.2%) and "professional orientation" (55.3%), compared to the percentage of all regular employees giving this response (45.2%), and a high percentage responding "I want to make use of my qualifications" among those with "professional orientation" (24.4%) compared to the percentage of all regular employees giving this response (13.4%). There was also a high percentage responding "In order to make effective use of my skills" among those with "managerial orientation" (36.1%) and "professional orientation" (27.6%) (compared to 24.8% of all regular employees), as well as a high percentage responding "The employer offers a stable income" among those with "managerial orientation" (40.5%) and "job security orientation" (43.7%) compared to the percentage for all regular employees (36.8%), and a high percentage responding "To be able to balance work and private life" among those with "lifestyle orientation" (15.7%) (compared to 6.7% of all regular employees). These responses indicate a logical connection between employees' initial reasons for choosing their employers, and their current career orientations. (ii) As shown in the survey results in Table 5, employees with "lifestyle orientation" have low levels of satisfaction with working hours, suggesting that career orientation may be independent of current working conditions.

<sup>9</sup> Considering the correspondences between career orientations and employee categories, it seems that (i) ("managerial orientation") corresponds to the conventional regular employee model, in which job advancement and internal promotion are expected. On the other hand, (ii)(iii) and (iv) do not necessarily place emphasis on advancement to a managerial post, and employees with these career orientations can be seen as candidates for restricted regular employee status. In particular, (ii) and (iv) have clearly defined expectations for future careers, and employees in the (ii) category would appear to be geared toward work-type-restricted regular employee status, and those in (iv) geared toward working-hours-restricted or work-location-restricted regular employee status.

lack of any clearly defined career orientation.

Based on the above-described characteristics, the six career orientations outlined above will be referred to with the following terms in this article: (i) “managerial orientation,” (ii) “professional orientation,” (iii) “job security orientation,” (iv) “lifestyle orientation,” (v) “circumstantially dependent orientation,” (vi) “undecided orientation.”

These career orientations may differ depending on gender and age.<sup>10</sup> With this in mind, Figure 1 tabulates the percentages of each career orientation for each gender and age group. The results show that even among male regular employees, “managerial orientation” accounts for only about 1/4 of the total. More common among male regular employees was “professional orientation,” at over 30%, while “job security orientation” and “lifestyle orientation” were both between 10% and 20%. It is obvious that male regular employees’ career orientations are diversifying beyond the traditional model of climbing the corporate ladder toward managerial promotion.

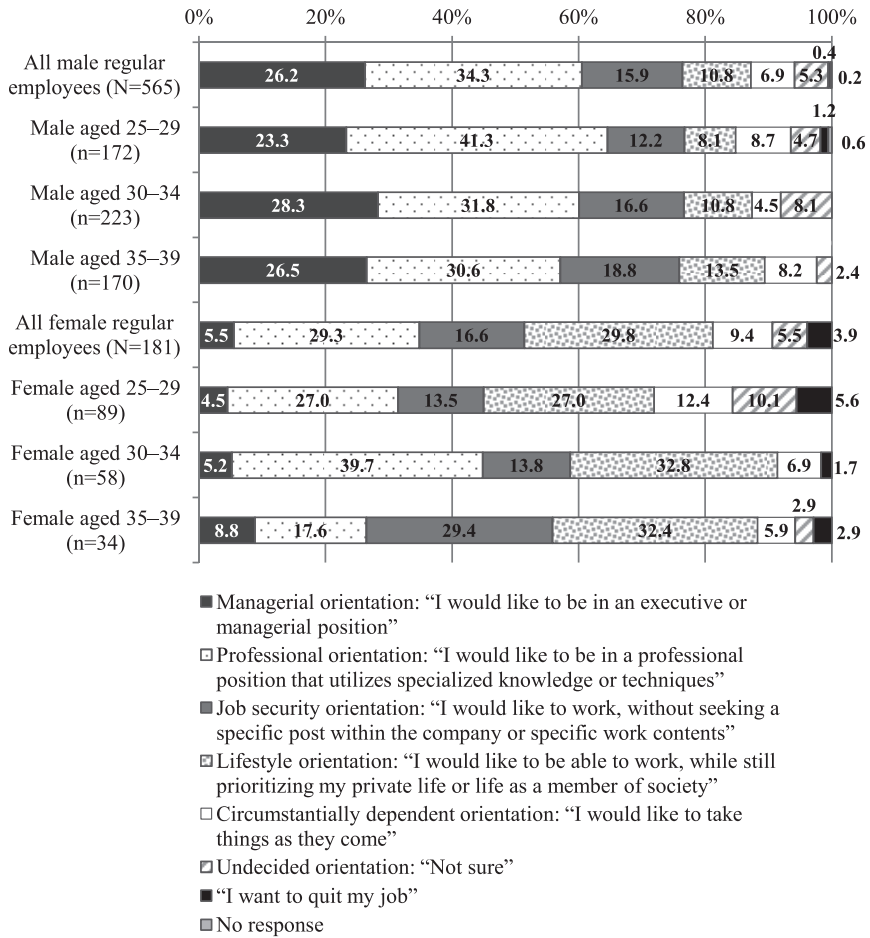
Figure 1 also shows that among male regular employees, by age group, the 25–29 age bracket has a somewhat higher percentage of “professional orientation” than other age groups and a somewhat lower percentage of other orientations. Otherwise, there is no significant difference in responses depending on age group. These responses indicate that to a certain extent, career orientation trends are stable among male regular employees.

Among female employees “managerial orientation” is much lower at under 10%. The most common orientations among female regular employees, at approximately 30% each, are “professional orientation” and “lifestyle orientation.”

Examination of female regular employees’ responses by age group reveals that “managerial orientation” is consistently low regardless of age group. Also consistent at

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<sup>10</sup> Examination of the relationship between career orientation and other individual attributes shows that among male regular employees (N=562), (i) there is a statistically significant correlation between academic history and career orientation (Chi-square test; statistical significance level of 1%), with “managerial orientation” employees’ percentages being: vocational, technical, or junior college graduates = 18.3%, and junior high school or high school graduates (including those who withdrew from high school without graduating) = 18.2%, compared to university and graduate school graduates (including those who withdrew from graduate school without completing it) = 33.2%, the highest percentage. By contrast, among employees with “professional orientation” the highest percentage was of vocational, technical, or junior college graduates (40.4%), followed by university and graduate school graduates (34.9%) and junior high school or high school graduates (29.9%). Also, (ii) there is a statistically significant correlation between enterprise size and career orientation (albeit with a statistical significance level of 10%), with the highest percentage among “managerial orientation” employees being 1,000 or more employees (32.4%), followed by 300–999 employees (24.3%) and 100–299 employees (18.2%). (iii) There is also a statistically significant correlation between career orientation and presence or absence of children in the home (albeit with a statistical significance level of 10%), and among employees living with children there is a somewhat higher percentage of “managerial orientation” (29.6% of those with children compared to 21.6% of those without), and a somewhat lower percentage of “professional orientation” (32.0% of those with children compared to 38.1% of those without). (iv) Among female employees no statistically significant correlations could be found between basic attributes and career orientation.



Notes: 1. The target of this survey is limited to regular employees at private-sector companies with 100 or more employees.  
 2. The question asked of respondents was “In what way do you hope to work in the future, either at your current employer or at a different one?”

Figure 1. Percentages of Each Career Orientation, by Gender and Age Group

around 30% across age groups is the percentage of “lifestyle orientation.” By contrast, “professional orientation” is relatively high among the 30–34 group, and relatively low among the 35–39 group. Meanwhile, among the 35–39 group, “job security orientation” is markedly higher than other groups at around 30%. Due to the restricted scope of the data, it is not clear whether these represent a changing outlook among the younger generation, or a change in career orientation corresponding to life stage or career stage.<sup>11</sup>

<sup>11</sup> In addition, among female regular employees there may be discrepancies in the job turnover rate depending on career orientation.

### III. Career Orientation and Corporate Careers

#### 1. Career Orientation, Composition of Work Types and Advancement to Managerial Posts

As the previous section illustrates, the career orientations of regular employees are diversifying. Career orientations emphasizing advancement to a managerial position are more common among men than among women, but they apply to only one segment of the male regular employee population, and it is valid to say that career orientations are diversifying among both men and women.

So, are corporate careers following different patterns in accordance with these career orientations? Let us examine differences in two career-related indicators as they apply to each career orientation: (i) composition of work types and (ii) status of promotion to managerial position.

Firstly, regarding correlations between career orientation and work type, Table 1 tabulates the composition of work types for each career orientation, broken down by gender. To enumerate only outstanding trends, for both men and women, "managerial orientation" was correlated with a higher percentage of "Sales," suggesting that many workers aspire to careers in management of stores or sales areas. For "professional orientation," the percentage of "Specialized or technical work" was high at approximately 50%. These findings indicate a correlation between particular types of work and a career orientation emphasizing specialized work duties. In terms of differences between male and female respondents, among men "lifestyle orientation" was correlated with a high percentage of "Sales," and "circumstantially dependent orientation" and "undecided orientation" with "Skilled labor and manufacturing." Among women, "job security orientation" and "lifestyle orientation" were correlated with "office work," while "circumstantially dependent orientation" and "undecided orientation" were correlated with "Sales."

As outlined above, for both men and women, the composition of work types varies depending on career orientation. A particularly strong correlation is the one between "professional orientation" and "Specialized or technical work."

Next, let us look at the relationship between career orientation and advancement to managerial posts. It must be pointed out that opportunities for managerial promotion vary depending not only on individual attributes such as gender, age, and academic history, but also on work types and enterprise attributes such as enterprise size and industry. It is possible that these factors are also related to career orientation. With this in mind, let us examine whether correlations between career orientation and advancement to managerial posts are evident even when controlling for these attributes.

Table 2 shows the outcome of an ordinal logistic regression analysis of the impact of career orientation with current job title (section chief [*kacho*] or its equivalent and above = 2, subsection chief [*kakaricho*] or its equivalent = 1, no title = 0) as the explained variable, and basic individual and enterprise attributes as the control variables.



Table 1. Composition of Work Types by Career Orientation

	Specialized or technical work	Administration	Office work	Sales	Services	Skilled labor and manufacturing	Other response	No response	Total	No. of responses
<u>All male regular employees</u>	25.8%	3.7%	16.4%	21.2%	8.4%	15.7%	8.9%	0.0%	100.0%	562
Managerial orientation	23.0%	10.1%	21.6%	29.7%	3.4%	8.8%	3.4%	0.0%	100.0%	148
Professional orientation	42.3%	0.5%	10.8%	14.9%	7.7%	18.6%	5.2%	0.0%	100.0%	194
Job security orientation	15.6%	4.4%	20.0%	18.9%	14.4%	13.3%	13.3%	0.0%	100.0%	90
Lifestyle orientation	14.8%	0.0%	19.7%	29.5%	9.8%	16.4%	9.8%	0.0%	100.0%	61
Circumstantially dependent orientation / Undecided orientation	8.7%	1.4%	13.0%	15.9%	11.6%	24.6%	24.6%	0.0%	100.0%	69
<u>All female regular employees</u>	27.0%	1.1%	44.8%	19.5%	4.6%	1.7%	1.1%	0.0%	100.0%	174
Managerial orientation	0.0%	10.0%	30.0%	60.0%	0.0%	0.0%	0.0%	0.0%	100.0%	10
Professional orientation	54.7%	0.0%	28.3%	9.4%	7.5%	0.0%	0.0%	0.0%	100.0%	53
Job security orientation	10.0%	3.3%	63.3%	10.0%	6.7%	6.7%	0.0%	0.0%	100.0%	30
Lifestyle orientation	20.4%	0.0%	51.9%	22.2%	3.7%	0.0%	1.9%	0.0%	100.0%	54
Circumstantially dependent orientation / Undecided orientation	14.8%	0.0%	48.1%	29.6%	0.0%	3.7%	3.7%	0.0%	100.0%	27

Note: The target of this survey is limited to regular employees at private-sector companies with 100 or more employees. However, those who responded that they “want to quit their jobs” or gave no response were omitted from the tabulation.

Table 2. Determinants of Current Job Title (Based on Ordinal Logistic Regression Analysis)

	B	Wald
Career orientation		
Managerial orientation	.634	5.238 **
Professional orientation (Job security orientation)	-.639	5.392 **
Lifestyle orientation	-.235	.546
Circumstantially dependent orientation / Undecided orientation	-.139	.170
<u>Male</u>	1.092	13.919 ***
Age		
(25–29)		
30–34	1.520	33.549 ***
35–39	2.467	82.549 ***
Academic history		
Completed university / graduate school	-.413	2.689
Completed technical, vocational, or junior college (Completed junior high school or high school)	-.548	3.619 *
Work type		
Specialized or technical work, Administration (Office work)	.259	.911
Sales	.093	.104
Services	-.197	.141
Manufacturing / industrial processes	-.181	.241
Other	-.868	3.784 *
Number of employees at enterprise		
(100–299)		
300–999	-.446	3.261 *
1,000 or more	-.107	.239
Industry		
(Manufacturing, construction)		
Electricity, gas, heat supply and water; Communications; Transportation and postal activities	.224	.645
Wholesale, retail	.666	4.410 **
Finance and insurance; Real estate; Goods rental and leasing	-.074	.043
Medical, health care and welfare; Scientific research, professional and technical services; Education, learning support	.598	1.366
Accommodations, eating and drinking services; Living-related and personal services; Amusement services	-.368	1.058
Services (not elsewhere classified); Other	.614	1.947
N		735
Chi square		204.616 ***
Nagellerke R2		.310

Notes: 1. The target of this survey is limited to regular employees at private-sector companies with 100 or more employees. However, those who responded that they “want to quit their jobs” or gave no response were omitted from the tabulation.

- The explained variables were assigned values, with regard to current position, as follows: “section chief or above, or its equivalent” (“section chief or its equivalent,” “department manager or its equivalent”) = 2, “subsection chief or its equivalent” (“foreman, group leader, supervisor,” “subsection chief or its equivalent”) = 1, “No job title” = 0.
- Parentheses indicate reference groups.

\*\*\* $p < 0.01$ , \*\* $p < 0.05$ , \* $p < 0.1$ .

The results indicate that even when controlling for basic individual and enterprise attributes, having a “managerial orientation” has a statistically significant positive correlation with managerial promotion, when compared to “job security orientation.” Meanwhile, “professional orientation” has a statistically significant negative correlation with managerial promotion (statistical significance level of 5% in both cases).

Looking at the other variables, attributes with a statistically significant positive correlation with managerial promotion are being male, being aged 30 or above (as opposed to 20–29), and being in the wholesale or retail industry as opposed to manufacturing or construction (statistical significance levels of 1%, 1%, and 5% respectively). On the other hand, factors with a statistically significant negative correlation with managerial promotion are: educational level of “technical, vocational, or junior college graduate” as opposed to junior high school or high school graduate; occupation of “other” (transport and communications, security, agriculture, forestry, and fisheries, etc.), as opposed to “office work”; and enterprise size of 300–999 employees, as opposed to 100–299 employees (statistical significance level of 10% in all cases).

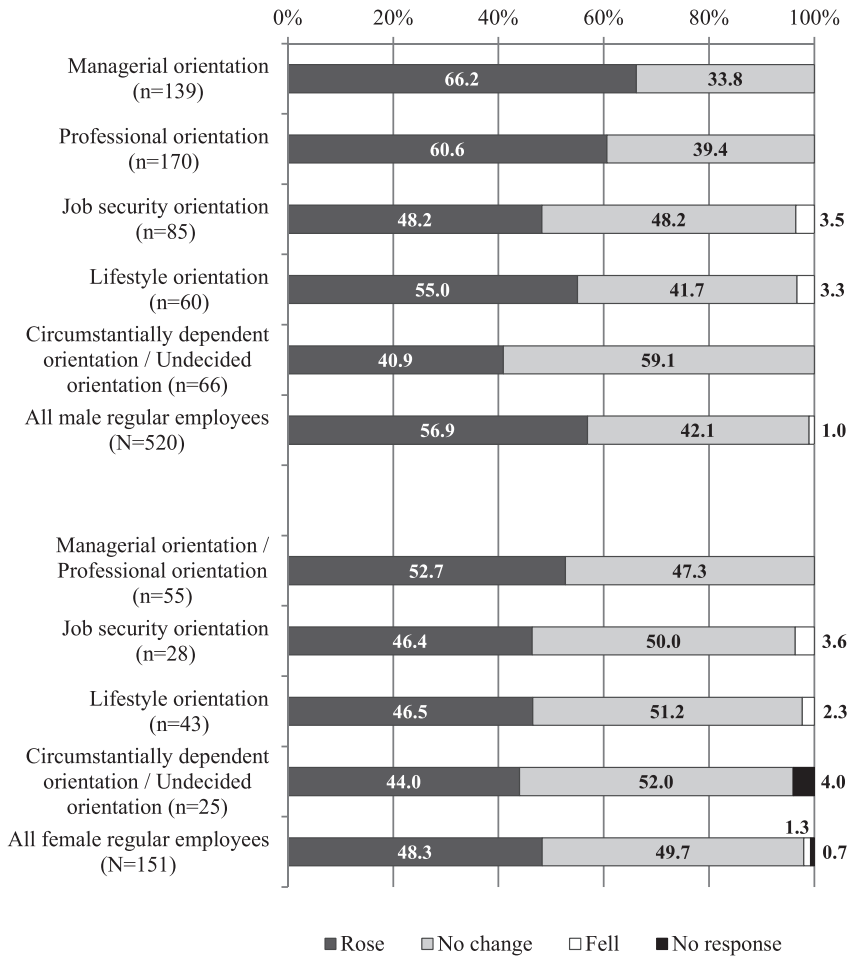
As we have seen, regular employees with a “managerial” career orientation are actually promoted to managerial positions at a higher rate than other employees, and those with “professional” orientation at a lower rate, regardless of individual attributes such as gender, age, and academic history, work types, and enterprise attributes such as industry and enterprise size. As Table 1 illustrates, regular employees with “professional orientation” have high rates of engagement in specialized or technical work, indicating that there is a substantive correspondence between career orientation and career path.

## 2. Career Orientation and Professional Experience at Enterprises

As we have seen, even among regular employees, differences exist in terms of professional experience and the status of managerial promotions. Incidentally, in terms of the latter, it is possible that regular employees with “managerial orientation” may have more abundant opportunities to obtain professional experience that leads toward advancement to a managerial post, from their early career stages. To determine whether such differences exist, let us look at the indicator of changes in “job level” over the last fiscal year.

Figure 2 shows relationships between career orientation and change in “job level.” The data shows that among male regular employees, “job level” has grown higher among a larger percentage of employees with “managerial orientation” than among others, as might be expected. Following this is “professional orientation.” As shown in Table 2, those with “professional orientation” have fewer opportunities for managerial promotion than their “managerial” counterparts. However, because of the specialized nature of their work, they do not necessarily have fewer opportunities to advance to more sophisticated work duties. Among female regular employees, as well, there was a higher percentage of respondents stating that their “job level” had grown higher among the “managerial” and “professional” orientations, which were treated as a single group to secure a sufficient number of respondents.

### Diversification of Regular Employees' Career Orientations



- Notes: 1. The survey target is limited to regular employees at private-sector companies with 100 or more employees, who have been at their current employers continually since before the last fiscal year began (i.e. since March 2010 or before). However, those who responded that they “want to quit their jobs” or gave no response were omitted from the tabulation.
2. Respondents were asked whether there had been “changes in their work in the last fiscal year,” specifically with regard to “job level.”

Figure 2. Career Orientation and Change in “Job Level” (in the Last Fiscal Year)

However, it is possible that these changes may be affected not only by career orientation, but also by work type and individual attributes such as gender, age, and academic history, and by enterprise attributes such as company size and industry. Do regular employees with “managerial orientation” still trend toward a higher percentage experiencing an increase in sophistication of job duties, even when those variables that might be related to career orientation are removed? To determine whether this is the case, a logistic regression

Table 3. Determinants of Rise in Job Level (Logistic Regression Analysis)

	B	Wald
Career orientation		
Managerial orientation	.753	7.494 ***
Professional orientation (Job security orientation)	.335	1.806
Lifestyle orientation	.226	.629
Circumstantially dependent orientation / Undecided orientation	-.165	.305
Gender		
Male (Female)	.557	6.030 **
Age		
(25-29)		
30-34	-0.148	.566
35-39	-0.433	4.055 **
Academic history		
Completed university / graduate school	-.043	.031
Completed technical, vocational, or junior college (Completed junior high school or high school)	.271	1.052
Work type		
Specialized or technical work, Administration (Office work)	-.048	.035
Sales	-.320	1.369
Services	-.534	1.437
Manufacturing / industrial processes	-.513	2.275
Other	-.534	1.741
Number of employees at enterprise		
(100-299)		
300-999	-.434	3.722 *
1,000 or more	.140	.455
Industry		
(Manufacturing, construction)		
Electricity, gas, heat supply and water; Communications; Transportation and postal activities	.145	.304
Wholesale, retail	.310	1.018
Finance and insurance; Real estate; Goods rental and leasing	.836	6.263 **
Medical, health care and welfare; Scientific research, professional and technical services; Education, learning support	.266	.371
Accommodations, eating and drinking services; Living-related and personal services; Amusement services	.214	.485
Services (not elsewhere classified); Other	.881	3.394 *
Constant	-.332	.636
N		670
Chi square		51.938 ***
Nagellerke R2		.100

- Notes: 1. The survey target is limited to regular employees at private-sector companies with 100 or more employees, who have been at their current employers continually since before the last fiscal year began (i.e. since March 2010 or before). However, those who responded that they “want to quit their jobs” or gave no response to survey items regarding variables were omitted from the tabulation.
2. The explained variables were assigned values, with regard to changes in work during the last fiscal year, as follows: “job level rose” = 1, “No change” or “job level fell” = 0.
3. Parentheses indicate reference groups.

\*\*\* $p < 0.01$ , \*\* $p < 0.05$ , \* $p < 0.1$ .

analysis was conducted, with these variables controlled, to examine the correlations between career orientation and experience of a rise in "job level," with the results shown in Table 3.

The results show that even when controlling for basic attributes, having "managerial orientation" was correlated with a higher percentage experiencing a rise in "job level" to a statistically significant degree (statistical significance of 1%) compared to employees with "job security orientation" who do not place importance on job title or content of work duties. There were no statistically significant differences among other career orientations including "professional orientation."

As for the impact of other variables, in terms of individual attributes, men tend to experience a rise in "job level" more than women (significance level of 5%). In addition, compared to the 25–29 age group, the 35–39 age group has fewer opportunities for a rise in "job level" (significance level of 5%). For the 30–34 age group, between these two, although there is no statistically significant difference, there is a negative correlation between this age group and opportunities for a rise in "job level," and the overall trend is toward a greater rise in "job level" for younger workers. As for enterprise attributes, although the statistical significance level is only 10%, employees of companies with 300–999 employees tend to experience less opportunities for a rise in "job level." In terms of industries, workers in the financial, real estate, and other service industries have more opportunities for a rise in "job level" compared with industries such as manufacturing and construction industry (statistical significance level of 5% and 10% respectively).

As described above, sophistication of work duties is positively correlated to being male and of a young age. There are also differences depending on the industry. At the same time, even when controlling for individual and enterprise attributes such as these, regular employees with "managerial orientation" clearly tend to experience greater sophistication of work duties. It is evident that these employees have a fuller range of opportunities to advance their careers by gradually experiencing the sophistication of their duties on the job.

#### **IV. Career Orientation and Assessment of Jobs and Careers**

The analysis in the preceding section indicates that among regular employees, there are discrepancies in corporate career paths depending on career orientation. Under these circumstances, how do regular employees evaluate their own employment opportunities? Comprehensive evaluations of jobs are, of course, not carried out solely on the basis of the nature of careers. Among regular employees who place high importance on working style, such as those with "lifestyle orientation," working hours and other aspects of working style are likely to have a significant impact on overall evaluations of jobs.

With this in mind, below we will first of all examine the status of working hours, as an indicator of working style that can easily be evaluated. Next, we will look at levels of employee satisfaction with career, working style, and job as a whole. Then, we will seek to

correlate these two and clarify how employees of each career orientation evaluate their jobs.

## 1. Career Orientation and Differences in Working Style

Table 4 shows the differences in average working hours per week including overtime for each career orientation. Also, discrepancy in working hours between regular employee groups depending on career orientation was examined using analysis of variance. For male regular employees there did not appear to be a statistically significant discrepancy in working hours depending on career orientation. Even for those in the “lifestyle orientation” group, average weekly working hours at 53.3 did not differ significantly from the overall average of 52.6 for male regular employees. For female employees, comparing those with career orientations emphasizing work contents or position with other groups, a statistically significant discrepancy in weekly working hours was found (statistical significance level of 1%) with the latter with 42.6 hours being shorter than the former with 46.5 hours.

## 2. Career Orientation and Job Satisfaction Level

What sort of correlations exist between different career orientation groups and job satisfaction levels, against the career- and working style-related backdrop described above?

Table 5 shows a tabulation of average values for job satisfaction level (assigned numerical point values) with regard to career, job, working style, and compensation, of regular employees, for each career orientation. Among these, the value for “job as a whole” can be thought of as the overall job satisfaction level. The greater the point value, the higher the job satisfaction level. Also, analysis of variance is used to examine discrepancies with the average value for each area of job satisfaction.

In Table 5, we can see that for male regular employees, the areas where statistically significant discrepancies exist are those employees with “managerial orientation” who have the highest levels of satisfaction with “future career outlook” and “working hours,” and the second highest for “content of work duties” and “opportunities to acquire skills and knowledge that are applicable to the job,” after those with “professional orientation.”<sup>12</sup> “Managerial orientation” employees also have the highest satisfaction scores for “job as a whole.”

As for what may lie behind this higher level of job satisfaction among regular employees with “managerial orientation,” one factor may be that as outlined in the previous

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<sup>12</sup> No statistically significant discrepancy in employee satisfaction with regard to “income level” could be found. However, among male regular employees there was a statistically significant discrepancy in income converted to hourly wage rates (as of October 2011) correlated with career orientation (statistical significance level of 1% by analysis of variance), with the highest being “managerial orientation” with the equivalent of ¥2,149 per hour, compared to “professional orientation” with ¥1,741, “job security orientation” ¥1,796, “lifestyle orientation” ¥1,790, and “circumstantially dependent orientation” / “undecided orientation” ¥1,702 (N=482). Among female regular employees no statistically significant discrepancy correlated with career orientation could be identified. The overall average for female regular employees was ¥1,415 (N=131).

Table 4. Average Working Hours per Week by Career Orientation (Unit: Hours)

Male regular employees		No. of working hours per week (last week of Oct. 2011)
Managerial orientation	Average	51.90
	Standard deviation	12.476
	No. of responses	143
Professional orientation	Average	52.67
	Standard deviation	12.248
	No. of responses	183
Job security orientation	Average	52.16
	Standard deviation	12.327
	No. of responses	85
Lifestyle orientation	Average	53.33
	Standard deviation	11.774
	No. of responses	57
Circumstantially dependent orientation / Undecided orientation	Average	54.13
	Standard deviation	11.834
	No. of responses	60
All male regular employees	Average	52.62
	Standard deviation	12.201
	No. of responses	528
Female regular employees		No. of working hours per week (last week of Oct. 2011) ***
Managerial orientation	Average	46.49
	Standard deviation	7.407
	No. of responses	57
Job security orientation	Average	42.66
	Standard deviation	7.162
	No. of responses	87
Lifestyle orientation	Average	44.17
	Standard deviation	7.475
	No. of responses	144

*Note:* The target of this survey is limited to regular employees at private-sector companies with 100 or more employees. However, those who responded that they “want to quit their jobs” or gave no response, or who did not respond to survey items regarding satisfaction level, were omitted from the tabulation.

\*\*\* $p < 0.01$ , \*\* $p < 0.05$ , \* $p < 0.1$  (by analysis of variance).



Table 5. Job Satisfaction Level

## Male regular employees

		Opportunities to acquire skills and knowledge that are applicable to the job ***	Future career outlook ***
Managerial orientation	Average	.3605	.0204
	Standard deviation	1.00646	1.00321
	No. of responses	147	147
Professional orientation	Average	.4093	-.0777
	Standard deviation	.93169	.92374
	No. of responses	193	193
Job security orientation	Average	.2472	-.2809
	Standard deviation	.82958	.72282
	No. of responses	89	89
Lifestyle orientation	Average	-.0847	-.4746
	Standard deviation	1.00496	.79559
	No. of responses	59	59
Circumstantially dependent orientation / Undecided orientation	Average	-.0448	-.3731
	Standard deviation	.87789	.77530
	No. of responses	67	67
All male regular employees	Average	.2631	-.1622
	Standard deviation	.95342	.90067
	No. of responses	555	555

## Female regular employees

		Opportunities to acquire skills and knowledge that are applicable to the job **	Future career outlook
Managerial orientation	Average	.5873	.0952
	Standard deviation	.99409	1.02728
	No. of responses	63	63
Job security orientation	Average	.2673	-.0594
	Standard deviation	.98885	.94680
	No. of responses	101	101
Lifestyle orientation	Average	.3902	.0000
	Standard deviation	1.00007	.97829
	No. of responses	164	164

Notes: 1. The target of this survey is limited to regular employees at private-sector companies whose jobs or gave no response were omitted from the tabulation. This tabulation includes

2. All satisfaction levels are assigned numerical point levels as follows: "Satisfied" = 2, and "Dissatisfied" = -2.

3. Shaded cells are those with values lower than the average numerical point value of all \*\*\* $p < 0.01$ , \*\* $p < 0.05$ , \* $p < 0.1$  (by analysis of variance).

by Career Orientation

Content of work duties **	Working hours **	Days off / Vacation days	Income level	Job as a whole ***
.3878	.1088	.4830	-.1701	.4218
1.05629	1.21141	1.25706	1.16674	.89078
147	147	147	147	147
.4767	-.1192	.3575	-.2383	.3990
1.00557	1.17761	1.26724	1.12045	.85477
193	193	193	193	193
.1910	-.2584	.2135	-.2472	.1910
.92781	1.15334	1.24747	1.10042	.85115
89	89	89	89	89
.0678	-.4068	.1864	-.2881	.0169
.88793	1.20514	1.30615	1.26014	.88066
59	59	59	59	59
.1642	-.1642	.1194	-.5373	.1493
1.02391	1.09540	1.09437	1.15900	1.06250
67	67	67	67	67
.3261	-.1171	.3207	-.2631	.3009
1.00537	1.18305	1.24804	1.15073	.90201
555	555	555	555	555

Content of work duties *	Working hours **	Days off / Vacation days	Income level	Job as a whole
.5079	.0317	.4921	-.2222	.4762
1.04531	1.24393	1.22965	1.18382	.82025
63	63	63	63	63
.1881	.4752	.7327	-.0099	.3366
1.11097	1.13661	1.18230	1.22062	1.01269
101	101	101	101	101
.3110	.3049	.6402	-.0915	.3902
1.09416	1.19497	1.20269	1.20741	.94325
164	164	164	164	164

with 100 or more employees. However, those who responded that they “want to quit only respondents who gave responses to all survey items related to satisfaction levels. “Somewhat satisfied” = 1, “Cannot say either way” = 0, “Somewhat dissatisfied” = -1, responses (male and female).

section, these employees actually have a higher rate of managerial promotion and more opportunities for work experience that contributes toward the goal of managerial promotion. With regard to the high level of satisfaction with working hours, as described above the actual working hours for this group do not differ from those of employees with other orientations, the abundance of opportunities for career advancement gives managerial-oriented employees a reason to be more satisfied with their working hours. As a result, these employees also have a higher level of satisfaction with their jobs as a whole.

Employees in the category of “professional orientation” have the highest levels of satisfaction with “opportunities to acquire skills and knowledge that are applicable to the job” and “content of work duties.” Their satisfaction with “job as a whole” is also second only to those with “managerial orientation.” From the analysis in the preceding section, we can understand that regular employees with “professional orientation” are hoping for work duties with specialized content of work duties, and a high percentage are actually engaged in “Specialized or technical work.” This correspondence between aspirations and actual duties is reflected in the high levels of job satisfaction among employees with “professional orientation.”

Meanwhile, those in the “job security orientation,” “lifestyle orientation,” “circumstantially dependent orientation” and “undecided orientation” categories all have lower levels of satisfaction with “future career outlook,” “opportunities to acquire skills and knowledge that are applicable to the job,” “content of work duties,” and “working hours.”

Among these, the lower levels of satisfaction with future career outlook, opportunities to improve skills, and content of work duties would appear to reflect the fewer opportunities for managerial promotion and building of professional experience for that purpose, compared to those with “managerial orientation.” On the other hand, with regard to working hours, among male regular employees there does not appear to be a significant discrepancy in hours depending on career orientation. However, those employees with “job security orientation,” “lifestyle orientation,” “circumstantially dependent orientation” and “undecided orientation” have lower levels of satisfaction with working hours, and this seems to reflect the fact that these employees have higher expectations regarding working styles (i.e. work/life balance). Employees with “lifestyle orientation” in particular aspire to a working style that lets them balance work with family life, etc., and as a result they have the lowest levels of satisfaction with working hours, contributing to a low level of overall satisfaction.<sup>13</sup>

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<sup>13</sup> Although there was a limited sample size (N=59), when levels of satisfaction with working hours among employees with “lifestyle orientation” are broken down by number of hours worked per week, the level for employees working “less than 45 hours” was 0.22, among those working “45–50 hours” it was - 0.09, for “50–55 hours” it was - 0.71, and for “55 hours or more” it was - 1.00, amounting to a statistically significant discrepancy among these respondent groups (statistical significance level of 5% by analysis of variance). Because the “lifestyle orientation” group shows a positive correlation between shorter weekly working hours and higher levels of satisfaction, it is evident that long working hours (weekly average of 53.3 hours) lead to low levels of satisfaction with working

With regard to female employees, in light of the limited number of respondents, it makes sense to divide them into two groups for comparison: “managerial orientation” and “professional orientation” in one, and “job security orientation,” “lifestyle orientation,” “circumstantially dependent orientation” and “undecided orientation” in the other. In the former group, which prioritizes job title and content of work duties, levels of satisfaction with “opportunities to acquire skills and knowledge that are applicable to the job” and “content of work duties” are higher to a statistically significant degree (although for “content of work duties” the statistical significance level is only 10%). On the other hand, among the latter group who are thought to set a high priority on working style, there is statistically significant higher level of satisfaction with working hours.

What underlies these trends? Female regular employees in the group with “managerial orientation” or “professional orientation” often have opportunities to experience more sophisticated work content, whereas those in the “job security orientation,” “lifestyle orientation,” “circumstantially dependent orientation” and “undecided orientation” group tend to have shorter working hours. For female regular employees, there is a trend toward greater fulfillment of aspirations regarding content of work duties and working styles (work/life balance, etc.) respectively. This can be interpreted as the reason female regular employees, compared to their male counterparts, have higher overall levels of job satisfaction (“job as a whole”) and no significant different in overall job satisfaction depending on career orientation.

## **V. Summary: Individualized Diversification of Regular Employees and Diversification of Regular Employee Categories**

The main findings of the analysis in this paper are as below.

- (i) Among the group analyzed, regular employees from their late 20s through their 30s, the percentage of employees with “managerial orientation” that place a priority on promotion to management positions is by no means high, even among men. Ambitions and attitudes toward careers and working styles are diversifying among regular employees, including men, and there is a need for diversification of career paths as well.
- (ii) Diversification of career paths, in accordance with these varying career orientations, is seen to be occurring. Among regular employees with “managerial orientation,” there is an actual tendency toward increased opportunities for promotion to managerial positions (equivalent to subsection chief or above) and for increased sophistication in the content of work duties. Meanwhile, among employees with “profes-

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hours in this group. Also, the group of employees with this orientation who had the highest level of satisfaction with working hours (the shortest, working “less than 45 hours”), satisfaction with “job as a whole” was high at 0.33 (compared to 0.02 overall for this orientation.) However, the average discrepancy in satisfaction with “job as a whole” was not statistically significant.

sional orientation,” while there are fewer opportunities for managerial promotion, there is a high rate of engagement in specialized or technical work, in line with the aspirations of this career orientation.

- (iii) On the other hand, in terms of working hours, diversification of working styles in line with career orientation is seen only among female regular employees. That is, among male regular employees, there is no apparent trend toward shorter hours (weekly average is consistently 50 hours or more) even among those workers with “lifestyle orientation” who prioritize private life and work/life balance. By contrast, among female regular employees, average weekly working hours for those with “lifestyle orientation” tend to be short compared to “managerial orientation” and “professional orientation” (about 42.6 hours for the former and 46.5 hours for the latter).
- (iv) Examination of the relationship between career orientation and job satisfaction shows that among male regular employees, those with “managerial orientation” and “professional orientation,” levels of satisfaction with skill-building opportunities, content of work duties, working hours, and job as a whole are relatively high. Among other groups, however, especially those with “lifestyle orientation” who aspire to a working style that prioritizes family life, etc., satisfaction with working hours and job as a whole is lower. By contrast, among female regular employees, those with “managerial orientation” and “professional orientation” have high levels of satisfaction with skill-building opportunities and content of work duties, while those with “lifestyle orientation,” etc. have a high degree of satisfaction with working hours. Female employees showed consistently high levels of overall level of job satisfaction with no significant disparity depending on career orientation.

With regard to (ii) above, as outlined in Section I, under current circumstances the diversification of careers is occurring not only through diversification of regular employee categories (creation of work-type-restricted, work-location-restricted and other new categories of regular employee), but also through individualized management of assignments and allocation of duties in the context of conventional regular employee categories.<sup>14</sup> This trend is particularly pronounced among male regular employees. Even under these circumstances, however, diversification of careers in accordance with career orientation is seen to be occurring. In this situation, what is the significance of intentionally diversifying regular em-

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<sup>14</sup> It should be noted that the analysis in this article found that among female regular employees, regardless of career orientation, there was a lower rate of promotion to managerial promotion and of opportunities to increase the sophistication of job duties than among their male regular employees. Also, the percentage of female regular employees with “managerial orientation” is low to begin with at around 10%. Under individualized management of employees, career development opportunities are not available equally to men and women, and in addition the “restricted regular employee” designation, which imposes limitations on the scope of advancement and promotion, is being applied primarily to female workers.

ployee categories rather merely taking steps to diversify careers through individual management?

Diversification of employment categories in regular employee, unlike diversification of career and working styles through individual management within the context of conventional regular employment, is a systemic process that entails placing different employment terms and conditions such as limitations on promotions or restrictions on work types or working styles for each regular employee category. The major difference from career diversification through individual employee management is that these systemic terms and conditions are placed on employees from the time they are hired or change their employee category.

The significance from the benefits to workers associated with this system is, first of all, that career prospects are clearer from the outset than they are in the case of individual management. As discussed in this article, a higher proportion of regular employees focus on specialized content of work duties than on managerial promotion. Furthermore, such regular employees with "professional orientation" do in fact have a tendency to be engaged in professional types of work. However, under conventional regular employee categories, it is unclear to these workers whether they will be able to engage in the professional types of work they aspire to in the future, due to the possibility of reassignment to a different type of work. To address this, the work-type-restricted regular employee category has been created, and this means of systemically guaranteeing employees' ability to continue pursuing their desired type of work has the potential to fulfill employees' career expectations more effectively.

Secondly, companies' establishment of restricted regular employee categories can be, for the workers, a systemic guarantee of benefits in terms of working styles, such as ability to avoid excessively long working hours. As described in (iii) above, among male employees, in terms of working hours there does not appear to be diversification of working styles under the system of individual management. Under these circumstances there is significant dissatisfaction with working hours among male regular employees who place a priority on balancing work with family life, etc. However, if a restricted regular employee category is created and employees can be provided with a systemic guarantee of a less burdensome working style with no overtime work, for example, it has the potential to fulfill the career aspirations of employees with "lifestyle orientation."<sup>15</sup>

However, as we have indicated in this article, to ensure that the diversification of regular employee categories is a measure that truly and effectively meets the needs and expectations of employees, it is a crucial prerequisite that the employee categories selected are actually in accordance with workers' career orientations. "Restricted regular employee" categories all have the effect of restricting workers' career opportunities in one way or an-

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<sup>15</sup> This issue, of course, should also be addressed through consideration for employees' working hours within the framework of individual management, and also through countermeasures to prevent excessively long working hours.

other, in terms of promotion level, work type, working hours and so forth. This means that a employment category that is not aligned with the employee's career orientation will only have the opposite effect than intended, making it more difficult to realize the employee's career aspirations. As a result, when enterprises diversify regular employee categories, they must provide clear and thorough explanations at time of hiring, etc., of the effects each employee category would have on employees' careers or working styles. Also, it should be kept in mind that career orientations are subject to change. It is vital that enterprises establish systems within which regular employee category changes are possible, so as to respond to potential career orientation changes occurring during the course of workers' careers.

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