

## Abstracts

### Challenges regarding Human Resource Management (HRM) of Temporary Workers in Japan

**Tomoyuki Shimanuki** (Hitotsubashi University) and **Motohiro Morishima** (Hitotsubashi University)

This paper discusses the human resource management (HRM) challenges pertaining to Japanese employees which have emerged owing to the rapid increase in temporary workers, and examines the mechanism by which structural features of “temporary worker HRM” create such challenges. The authors argue that temporary work has two distinctive features in the employment framework. First, temporary workers are managed by two different parties - clients and temporary staffing agencies - which means that HRM functions (staffing, training, evaluation and remuneration) are divided up and this creates a “mismatch” in HRM. Second, the career outlook for temporary workers is often relatively short, meaning that the parties are not provided with much incentive to solve this issue. As a result, the mismatch problem in HRM persists. It is argued that in order to use temporary workers more effectively, from the viewpoint of mutually shared HRM, it is necessary to consider how collaboration can be improved among the two parties for allocating HRM functions, supporting worker employability, and maintaining working satisfaction.

### Business Strategy and Human Resource Management for Onsite Sub-contracting Service in the Manufacturing Industry

**Takuma Kimura** (University of Tokyo), **Yoshihide Sano** (University of Tokyo), **Makoto Fujimoto** (The Japan Institute for Labour Policy and Training) and **Hiroki Sato** (University of Tokyo)

For contract companies, reevaluation of business strategy and the formulation of a human resource management system adapted to such strategy have been pressing subjects, in response to the revision of the Temporary Staffing Service Law and certain problems generated in the practical use of contract services at factories of manufacture companies, etc. Accordingly, this paper attempts to arrange the main types of business strategies employed by contract companies, and subsequently analyzes the corresponding relationships between “business strategy” and “human resource management system” in case studies and via a questionnaire survey. Consequently, two important fact discoveries were obtained. First, for some leading companies in this industry, human resource management systems that are adapted to the business strategy help to contribute to stable high performance. Second, although it is believed that business strategies which focus on contracted work that requires advanced skills and sufficient work management will increase in importance in the future, for many contract companies that adapt such strategies, the human resource management systems are not necessarily carried out in correspondence with said strategies. In order to improve this situation, efforts are required to be made by contract companies, in addition to reconsideration of the usage of contract services of user companies which often lean towards cost control and convenience of staffing.

The Issue of Utilization and Making Proper Contract Labourers in Electronics Industry:  
A Case Study of Five Workplaces in two Electronics Firms

**Kazuhiko Nakao** (Denki Rengo Research & Information Center)

This thesis attempts to formulate issues regarding how adequate results can be obtained from contract labourers in the manufacturing sector, and involves an analysis of five workplaces in two electronic parts companies. Although most client companies do not typically demand that workers sent from a contract firm concentrate on “skill improvement,” the line managers in all five of the workshops analyzed said they focus their efforts on improving contract labourers’ skills through daily OJT so that they (the contract labourers) can handle the work duties performed by regular employees. Such efforts are thought to be effective in improving contract labourers’ overall work abilities and thus often result in boosting work line efficiency.

Contract Workers and the Labour Law

**Koichi Kamata** (Ryutsu Keizai University)

The author discusses issues surrounding “commissioned workers” who provide labour, in a self-managed form, to another person or company which commissions them, as well as issues pertaining to “contract workers” who are dispatched from a company, on a contract basis, to another company which has made a request for workers (hereafter requesting company). The main points discussed are: (a) the kind of commissioned workers that can be regarded as “employees” under the applicable provisions of the Labour Law; (b) the type of legal protection that needs to be established for commissioned workers who are denied the status of “employee;” (c) the type of categorization among i) “contract workers,” ii) “temporary workers” as defined by the employee dispatching business law, and iii) other workers; and (d) the legal relationship that exists between a contract worker and the party who uses his/her labour. The author argues that 1) “contract workers” in certain categories should receive protection as “legally-protected contract workers,” and 2) a requesting company should bear responsibility for “contract workers” within a limited range.

Employment Contract and Firm Boundaries

**Osamu Hayashida** (Osaka University of Economics)

In this paper, the author theoretically discusses worker selection among regular employees, Temporary Workers and outsourcing, for the type of job categories which are unable to be fully described in the written contract, and reaches the following conclusions. 1) The use of Temporary Workers is more efficient than outsourcing when worker “originality” or “ingenuity” is not necessarily required, when “opportunism” is highly expected in conducting the work task, when workers lack negotiation ability, and when the market price of goods is likely to fluctuate considerably. 2) Assigning work tasks to regular employees is more efficient than using Temporary Workers when the company is experiencing steady growth, when there is little risk of bankruptcy, and when the pace of innovation of relevant technology is slow; in contrast, the use of Temporary Workers is more efficient than using regular employees when corporate growth cannot be expected, when there is high risk of bankruptcy, and when technological innovation progresses rapidly as in the IT industry. 3) It is impossible to introduce the practice of market competition into a firm with the aim of improving internal efficiency, because firms are unable to imitate the behavior of the market.