

Abstracts

Issues over the Multipolarization of Regular Employees from the Viewpoint of the Labor and Employment Law

Hisashi Ikeda (Hokkaido University)

Hitherto the Labor and Employment Law has been applied on the tacit assumption that there were two types of workers, “regular employees (fulltime workers)” and “non-regular employees (non-fulltime workers)” in Japan, and the employment models for them are solemnly separated. Although the percentage of non-regular employees has been consistently increasing since the collapse of the Japanese bubble economy, an employment model focusing on the existence of regular employees is still popular. However, in recent years, a type of an employment that sorts the undeniable classification into regular employees and non-regular employees is in the process of being deliberately introduced through legislation and business practices. The multipolarized regular employment system, which has recently been realized in legislation and business practices, needs to be positioned according to the Labor Act based on different aspects of the setting of labor conditions. This positioning method differs from that for the conventional Japanese employment system. In the first place, if the multipolarized regular employees’ labor conditions are not subject to the application of the theory of employment regulations (Articles 7, 9 and 10 of the Labor Contract Act), the procedures for announcement of change and cancellation of labor conditions, as a technique to change the said labor conditions, become a problem. Where the multipolarized regular employees’ labor conditions restrict the type of job or work location, the employment security is recognized to substantially regress because the allocation lacks flexibility. Thus the multipolarization of regular employees should be discussed in light of the relationship with traditional Japanese employment systems and with the change in labor conditions, rather than being discussed simply in light of the relationship with dismissal regulations.

Living Together but in Different Worlds: Commitment of Working Conditions and Signal of Career Choice

Ryo Kambayashi (Hitotsubashi University)

In this article, we empirically investigate the limited labor contracts from the viewpoint of the commitment of working conditions. More concretely, by using the microdata of an ad hoc workers’ survey conducted by the MHLW Committee on Divergence of Working Condition in 2011, we confirm how the workers do not rely on explicitly contracted terms such as the location of work place, the tasks to be assigned, and the overtime hours. This is because, if the worker is not believed to change her career by colleagues, her change in working conditions is substantially invalid in the work place. The argument implies that it is important to distinguish the change in working conditions from the career choice to commit the change in working conditions in the Japanese labor organization.

Unintended Consequence of the Revised Labor Contract Act: From the Viewpoint of the Part-time Worker's Perception of Organizational Justice in the Retail Industry

Mitsutoshi Hirano (Kobe University)

The movement of converting the fixed-term employment contracts of non-regular employees to non-fixed term employment contracts has expanded since the Revised Labor Contract Act was enacted in 2012. This paper aims to study the relationship between part-time worker's perception of distributive justice and the introduction of the limited regular employee systems including conversion to a regular employee system, using a unique Internet questionnaire survey of 150 part-time workers in Japan. Distributive justice refers to the concept of fairness by stating that employees determine their perception of fairness in the workplace by comparing their inputs/outcomes ratio to those of their co-workers. Results showed the following: 1) introduction of short working hours system enhances part-time worker's perception

of distributive justice; 2) introduction of conversion to a regular employee system decreases the part-time worker's perception of distributive justice; 3) the interactions between introduction conversion to a regular employee system and part-time worker's perception of distributive justice are more negative for part-time workers who have accepted constraints for their organization's reasons. The findings suggest the need to mitigate organization constraints which have been imposed on regular employees. At the same time organizations require the principle for determining wages, called "equal labor, equal pay" due to a deterrent effect on the unintended consequence of the Revised Labor Contract Act.

Diversification of Career Orientation, Career Opportunity and Working Style among Japanese Regular Employees called 'Seishain' : Actual State of the Diversification and Its Implication on the Employment Systems with Multiple 'Seishain' Categories.

Yoshihide Sano (Hosei University)

In this paper, firstly we capture the actual state of diversified individual expectation of Japanese regular employee called 'Seishain' toward their following career by using the concept of 'career-orientation'. Secondly we analyze the extent to which the chance of job advancement and internal promotion and the way of work among the Seishain employees are diversified in relation to their career orientations. Thirdly we look at the job satisfaction among different groups of career orientations. Lastly we draw some implications from the findings on the featured theme of 'Diversification of Seishain employees'. Our findings are as follows. Firstly the career-orientations of Seishain employees are diversified. Secondly their chance of job advancement and internal promotion are also diversified corresponding to their career-orientations. Thirdly the length of working hours corresponds to their career orientation only among female employees. Fourthly their job satisfaction is lowest among male employees who put priority on working styles focusing on their private and family life. Based on these findings, we have examined the importance of introducing the systems which formally put multiple employment categories among Seishain employees to accommodate their different career patterns and working styles according to their diversified career-orientations.

The Impact of University Students' Knowledge of Work Rules and Awareness of Labor Unions on Their Job Search Activities

Osamu Umezaki (Hosei University), Mitsuko Uenishi (Hosei University), Chiaki Nagumo (Tokaigakuen University), Kayo Goto (Labour Research Council)

Using a questionnaire of university students across Japan, this paper ascertains their knowledge regarding work rules and awareness of labor unions and analyzes the influence of this on their job search activities. First, we confirmed a strong correlation between knowledge regarding work rules and awareness of labor unions. Next, upon conducting an exploratory analysis to determine the type of relationship that exists between acquiring a job offer and having knowledge regarding work rules and awareness of labor unions, we confirmed that no definite relationship exists. The lack of clarity on whether knowledge about work rules and awareness of labor unions assists in acquiring job offers also makes it difficult to explain any causality. Therefore, instead of looking at whether a job offer was made, we analyzed whether knowledge about work rules and awareness of labor unions affected different types of prospective employers. Our results showed that students who knew about work rules and were aware of labor unions secured job offers from companies with labor unions. In terms of company size, although students who were aware of labor unions received job offers from large companies, no clear influence was perceived for students who knew about work rules. Considering the nature of the prospective employer, an awareness of labor unions had a positive influence on being hired by companies with labor unions and by large companies, while knowledge about work rules had a positive influence on being hired by companies with labor unions.

The Present Situation of Youth Employment and Challenges in Korea

Myoung-Jung KIM (NLI Research Institute)

Although it is said that young people are important for the future of a country, the environment which surrounds youth in the Korean society is too severe. As of 2013, the college admission rate in Korea was at a high level with 70.7%. However, the employment rate of the four-year college graduates in the same year was 55.6%, and this shows that one out of two college graduates did not participate in the labor market. Furthermore, a significant number of young people who graduated from college are working as non-regular workers, such as part-timers and contingent workers. The reason for the severe situation of young people's job hunting lies in the decline of new hires of companies, the transfer of production overseas, the mismatch between supply and demand for labor of college graduates, the increase of new employment opportunities for the middle-aged and elderly people, and so on. In particular, the Korean government needs to consider measures for solving the mismatch between supply and demand in the labor market. In order to solve the mismatch, it is important to improve the wage level and labor environment of small and medium sized enterprises (SME) above all. Moreover, the Korean government should enhance SMEs' technical capabilities or competitiveness and expand choices for highly-educated young people. Finally, it is necessary to improve abilities of the youth through expanding investment in education and training, or start-up supports so that the youth can move smoothly from school to work.

Challenges of Skill Development Policy in Japan and the Role of Government

Katsuhiko Iwata (The Japan Institute of Labour Policy and Training)

This paper firstly pulls together cross relationships involving the following issues: challenges for Japan, policy ideas, theoretical grounds and ways of government involvement with skills development. Secondly it discusses how we should realize the passage in Japan from the present model initiated by in-house vocational education and training, to the integrated model of self-, mutual- and public help. Challenges involving skill development policy in Japan are very wide-ranging. The theoretical grounds of government involvement can be summarized as the following four issues: (a) developing everyone's potential based on the basic rights, (b) supplementing the imperfect market mechanism for youths and non-regular employees who often do not receive adequate training, (c) to provide training that functions as a quasi-public good, and (d) providing a safety net. Related policy concepts include: (1) the right to develop one's career, (2) employability, (3) lifelong learning, (4) flexicurity, and (5) capability. The government is becoming involved in skill development in various ways. The increasing importance of means of providing information on training and providing criteria for vocational capability and training results can be explained by the above-mentioned theoretical grounds and policy concepts. The new Japanese integrated model of self-, mutual- and public help will be realized by the full-scale collaboration of education and training policies.

Single Mother Independence Support Officers View of Single Mothers' Financial Independence

Keiko Tanaka (Hosei University)

Using the data of Single Mother Independence Support Officers' observation of single mothers, we compared financially independent and dependent single mothers and analyzed the differences and characteristics in their behaviors and abilities. The results indicate that financially independent single mothers tend to have networks of connections outside their family, speak assertively, have experience continuing with the same employment for a long time, be well dressed and have vocational qualifications and driving licenses. These mothers have social skills and are capable of establishing and maintaining trusting relationships with others in society. They have information sources, including friends and acquaintances who they trust. The results indicate that these mothers collaborate with others and are self-disciplined people, capable of clearly

expressing their ideas and feelings, and that they have acquired such characteristics through their job experience. In order to encourage single mothers' financial independence, we need to first consider how they can acquire such social skills, and develop programs that enable them to acquire the basic social skills required, before focusing on occupational skills.

How Much Transferability Do Professionals Feel in Their Special Skill?

Takeshi Nishimura (Kyoto University)

Because certifications given by institutions outside of enterprises and peer recognition serve as a skill criterion, it is said that they promote the formation of horizontal job ladders and occupational labor markets (OLMs). This implies that OLMs tend to be organized more for medical professionals, who are obligated to obtain national licenses at the port of entry, than for white-collar professionals in enterprises who are not so obligated. However, it has also been pointed out that skills formed by on-the-job training in enterprises tend to be less firm-specific than the theory of human capital predicts. Thus, even for white-collar professionals in enterprises, if many workers feel their skills are transferable, the formation of OLMs may be promoted in the future. This study analyzed the differences in the transferability of skill and turnover intention between physicians, pharmacists, nurses, research and development workers, and IT engineers. The following points are the key findings of this study: medical professionals feel more transferability of skill than white-collar professionals in enterprises; regular workers and workers with longer tenure at their current firms feel more transferability of skill in medical professionals, and feel less in white-collar professionals in enterprises; and the transferability of skill does not promote professionals' turnover intention.

Matching at One's Place of Work and An Aptitude for the Type of Job in Hiring of New Graduates: The Cases of Small and Medium-sized Businesses

Masahiro Doi (Doshisha University)

In the hiring of new graduates, much is made of basic abilities excessively. Basic abilities include communication skills, imagination, and so on. Many big businesses adopt basic abilities as a criterion of employment. Liberal arts students are assigned to various posts, with a remarkable tendency. However, small and medium-sized businesses have more difficulty for shaping a population of employment than that of big businesses, and assignment is relatively clear. This paper sets up a hypothesis that small businesses make sure of their characteristics at a deep level. As a result of empirical research, this paper defined there are businesses which regard licenses, specialties, fitness for the duties and matching to the workplace as vital elements as well as basic abilities, and that the abilities have an influence on the pass or fail decision.

Estimating the Extensive Margin of Youth Labor Supply

Shota Araki (Hitotsubashi University)

This paper aims to estimate the elasticity of the extensive margin of youth labor supply using Japanese data. The formulations of our model of labor force participation explicitly consider the household joint decision of labor supply. The estimation of the model takes the consequent endogeneity of household income into account. We use parental educational backgrounds as instrumental variables for the household income in this paper. We find endogeneity of household income to be empirically important. Without considering the endogeneity of household income, the effect of household income on labor supply is estimated with a downward bias. The extensive margin elasticity of youth labor force participation is estimated at 0.06. The wage elasticity at extensive margins of females is higher than males.

Men's Marital Status and Wage Rate: Evidence from Japan

Yawen Sun (Hitotsubashi University)

Do wedding bells bring wealth? It is commonly believed in Japan that men can obtain a higher income if they marry, and a cursory view of the data would suggest that

this might be true, particularly if the man's spouse is a full-time housewife. Further, Becker (1991) argues that women hold a comparative advantage in housework over men, so that if men concentrate on their work after marriage, it results in a male wage premium. Using Japanese panel data, this paper investigates the relationship between the marital status of men and their received wage rates, finding that when unobserved heterogeneity is properly controlled, marital status and intra-household specialization has no effect on a man's wage. To isolate the effect of intra-household specialization, I use the wife's working status as a dummy variable. While results of OLS estimations show that a portion of the husband's change can be attributed to a spouse who is a full-time housewife, in the fixed effect model, however, there is no statistically significant effect. This research implies that it is not the wife's work status but the unobservable individual heterogeneity that causes wage discrimination between men with a spouse who is a full-time housewife and other men. Areas of future work will be to clarify the specific factors of unobservable individual heterogeneity affecting men's wages and also representing the relationship between marriage and wage for women.

Career Formation of Preeminent Experienced Engineers: Results of An Interview Survey Conducted with 15 Employed Preeminent Experienced Engineers in the Construction Industry

Masao Yamasaki (Hosei University)

This study discusses the training necessary for novice and mid-level engineers, by investigating the career formations of preeminent experienced engineers. We conducted interviews with 15 preeminent experienced engineers currently employed in the construction industry. A preeminent experienced engineer is someone 'no one can replace', and has a high level of 'engineer's intuition'. Engineer's intuition can be defined as the 'ability to simultaneously detect a problem, investigate its cause and solve the problem in a certain environment'. The data analysis results indicated that preeminent experienced engineers have common characteristics. To assume responsible positions such as theirs, they embody the quality of high self-awareness while maintaining a daily practice of continuous training and frequent interactions with their co-workers. In this study, we observed the following three patterns concerning the increase in the engineer's intuition level: 1) proportional, 2) emergence in youth and 3) plateau in later life. This analysis highlights the importance of decision-making experience in a responsible position for the engineers' formation process. Based on the characteristics of preeminent experienced engineers, decision-making experiences in responsible positions will be necessary to further train novice and mid-level engineers. However, not all engineers can experience this. Due to the upcoming 2020 Olympics and Paralympics, the number of jobs in the construction field is rapidly increasing; now is a perfect opportunity for these engineers to acquire the vital decision-making experience in responsibility positions.

Globalization and Industrial Relations: Lessons to Learn From Volkswagen

Wakana Shuto (Rikkyo University)

Many years have passed since what people have called an improvement in international solidarity between trade unions accompanying the encroaching of globalization, and yet, most of the trade unions in Japan still function only on a nationwide level. This is a very different situation to that overseas, particularly in Europe, where we see the relevant parties working to strengthen international ties between trade unions, and attempting to build international standards for industrial relations. A clear example of this is provided by the increase in Global Framework Agreements (GFAs) signed between multinational corporations and GUFs. These GFAs provide an opportunity for cooperation between the trade union in the company's home country, or the works council in the company headquarters, with those overseas, thereby facilitating the creation of a company-wide international network. In this paper, I shall discuss the examples of Volkswagen and IG Metall, which we could call pioneers in this sense. Volkswagen owns roughly 100 factories across the globe, most of which have local trade

unions. IG Metall, the industry-specific trade union in Germany, has supported the unionization of these overseas factories, and, after their formation, has played an active role in contributing to their development. The Volkswagen Works Council, as well as bringing together representatives from the unions in all its factories to discuss issues affecting the workplaces, is now also beginning to work on establishing international guidelines. By consulting these examples, I shall discuss how industrial relations should be developed in response to globalization.

Comparative Research on In-house Training Systems between Japan and France

Chisato Sekiya (Gakushuin University)

In Japan, firms recruit new graduates and train them from scratch regardless of their academic specialization. Through this system, the flexibility of the internal labor pool and lifetime employment have been maintained. However, because of downsizing and rapid innovation, its efficiency is doubted. The purpose of my research is to make clear its characteristics and efficiency by comparing it with that of France. To do so, I analyzed the educational background, the experience gained in firms and the degree of professional development of both Japanese and French HR professionals by using data collected through interviewing 9 Japanese and 8 French people. The main findings are as follows. In Japan, new hires are heavily trained. Their abilities are developed gradually as they continue working. By the 10th year of career, they are able to occupy numerous functions and propose strategies under the guidance of their superiors. In France, training is limited. As experienced and specialized graduates are hired, employees can plan and execute their objectives themselves. By the 10th year the number of function and levels of responsibility increase rapidly. Though they are at the same level by the 5th year of their career, French employees are more autonomous by the 10th year. This means, although the Japanese system efficiently trains its employees until the 5th year, its efficiency is doubted after the 6th year of their career.

Recruitment and Training to Increase the Employee Retention Rate: An Example of a Local Car Dealership

Masae Yamasaki (Hosei University)

A communication of intangible values such as the substance of work and human relations is key to avoiding mismatches and increasing employee retention in small businesses. This report examines the recruitment and training of new employees at Netz Toyota Nangoku in Kochi City for insight into that car dealership's record of high retention rates. The examination is conducted through participant observation, interviews and a literature review. We find that Netz Toyota Nangoku has recruitment standards that emphasize its intangible sense of values, and has taken a way selected on the independence of the student through a process based on "Realistic Job Preview Theory" (RJP). As a result, it has higher retention rates by skillful combination of those intangible recruitment standards and RJP. In addition, the recruitment process helps develop students' views of work. Although training familiarizes new employees with organizational thought methods and socialization, it also helps them overcome the distance an organization man often experiences, by fostering a sense of camaraderie with fellow employees who joined at the same time. Both processes — recruitment and training — are designed carefully to produce a good effect. Also important is consistency between all the measures taken by Netz Toyota Nangoku to receive new employees and the values of its management. We conclude that a consistent, carefully thought-out recruitment and training process can prevent mismatches. The general applicability of our findings is a challenge for future research.

Does Maternal Employment Harm Her Children's Health? Comparison of Single mothers and Married mothers

Xinxin Ma (Kyoto University)

Using an "Employment and Lifestyle of Households with Children Survey" data in 2011, this study empirically assesses the effect of maternal employment on the health

of children under the age of 18. The ordered logistic regression model and probit regression model are used, and two-stage estimation methods are applied corresponding to the endogeneity problem. The main findings are as follows. First, for both single and married mothers, the probability of children being in good health is higher and the probability of children's school refusal behavior is lower in the case of working mothers than nonworking mothers. Second, for both single and married mothers, compared with temporary workers' children, regular workers' children have a higher probability of good health while irregular worker's children have a lower probability of good health. Third, for both single and married mothers, children of working mothers have a lower probability of refusal than those of nonworking mothers. Fourth, compared with married mothers, the probability of children being in good health and the probability of children's school refusal behavior is lower for the single mother group. It is indicated that factors other than maternal employment also affect her children's health status. These results reveal there isn't a dilemma in encouraging women's employment and child health, and promoting maternal employment policy should improve child health. In order to encourage the continued employment of women, some policies such as work-life balance and enforcement of public child care service policies are needed.

Understanding the Situation of Limited Regular Employment: With an Emphasis on the Difference in Wage and Satisfaction among Workers in Firms of Various Sizes

Akihito Toda (Recruit Works Institute)

This paper studies the recent situation of limited regular employment which the Japanese government is willing to promote. We find the followings by utilizing the micro data from the Working Persons Survey 2014 which covers employees in metropolitan areas as respondents. First, women who have children less than six years old tend to become limited regular employees with working hour limitations such as no overwork and/or shorter working hours compared to regular employees. This means that limited regular employment meets the employees' various needs related to the way of work. Secondly, in large sized companies, where employees are frequently transferred from a certain place to another place and it is recognized as important especially for regular employee as a working experience, there is a wage limitation for regular employees. Thirdly, the job satisfaction of limited regular employees with job limitations is higher compared to that of regular employees with no limitation. This means that in small sized companies, employees are able to concentrate on the specific jobs if they are limited to work for a specific job, otherwise when they are busy in many and multiple tasks, they will lose their satisfaction.

Behavior Characteristics and Issues of Managers in the Evaluation Process of Employees in their Early Sixties: A Comparison of Managers to Active Full-Time Employees

Eiichi Ohki (Tamagawa University), Haruyuki Kanou (Japan Organization for Employment of the Elderly with Disabilities and Job Seekers), Miho Fujinami (Chiba Keizai University)

This report clarifies evaluation processes and evaluating managers' behaviors, within the process of MBO, to employees in their early sixties (called elderly employees here, as full-time employees or contracted post-retirement employees), with a comparison to those processes and behaviors of managers managing full time employees under 59 years old. This report is a result from reanalysis of data from the survey done by JEED in 2013. The result shows, firstly, that elderly employees are evaluated as for full time employees, with the same measures of evaluation, ability (30%), level of assigned job (20%), personal performance (20%), work attitude (20%) and personnel record (10%). Secondly, establishment of MBO practices is lower for elderly employees, as only 60% of elderly employees set their own objectives while 80% of full time employees set objectives on their own. Thirdly, expected quantity and quality of assigned jobs are not fully demonstrated to elderly employees, while only 60% of managers are observed communicating their expectations to elderly employees, versus 70% with full

time employees. Lower percentage of feedback interviews is also observed, as 70% of managers answered they give interviews for elderly employees, while 80% said yes to full time employees. In order to leverage elderly employees in the aging society, consideration of management with more communication and empowerment, which leads to stronger self-management and taking advantage of their abilities, is required.

A Study about Perception of Fairness in the Japanese Diversified Workplace

Shizuka Takamura (The University of Tokyo)

This paper investigates the organizational activities according with the perception of fairness in recent Japanese workplaces using couple-matched data collected by the Cabinet Office in 2010 (n=3,916 (1,958 couples)). Although it identified that the perception of fairness among non-regular employees, especially in males, was lower than that among regular employees, the estimation results of the logistic regression model showed the coefficient of the dummy variable in which proxies of being non-regular employees turned out to be insignificant after the introduction of some managerial practices. In that model, when they have chances to demonstrate their expertise and to contribute work effectively, and receive support to develop their job skills and career and to deal with their private life, these factors are associated with employee perception of fairness. On the other hand, hourly equitable payment, which was representative of distributive outcome as well as extrinsic reward, was not significant. While non-regular employees have increased in the workplace in recent decades, the gap in wages, benefits and some managerial practices which non-regular employees have faced has harmed the sense of fairness and several related organizational variables in the workplace. To result grievance in organization, distribution of not only extrinsic outcomes and benefits but also intrinsic practices would be treated.

*The data utilized is microdata from the Study Pertaining to 'Work' and 'Life' Interaction received from the Gender Equality Bureau of the Cabinet Office.