

Abstracts

The Role of Human Resources Departments in Individual Personnel Matters: From the Viewpoint of a Post-war Study

Hiroyuki Aoki (Kagawa University)

The purpose of this study was to ascertain the role of human resources (HR) departments in individual personnel matters. This role is key to understanding the growth of HR departments in Japanese companies from the 1970s to 1990. First, this study analyzed the institutions and involvement of HR in decision-making regarding promotions based on the example of a large steel company. Second, this study analyzed the role of HR in decision-making regarding transfers (not involving a promotion) based on previous case studies. At the large steel company, HR attempted to precisely manage employee competence by designing and meticulously implementing a structured competence ranking system. It should be noted that the HR department intended to encourage employees to contribute to the organization over the medium and long term rather than give them a short-term incentive. When coordinating with line managers, HR had substantial power to correct performance appraisals and to cope with unfairness among employees due to conditions created by the company. Historically, such HR roles had developed as organizations expanded and more university graduates were hired in an era of high economic growth. According to previous case studies, 1) transfers to non-managerial positions and within departments tended to be decided by the line managers or the HR of a branch. At the headquarters, central HR mainly dealt with unusual situations, such as departments holding on to talented personnel. 2) Central HR's involvement in inter-departmental transfers differed widely depending on the company. In companies where HR had substantial authority, the company engaged in a single area of business, headquarters had substantial control over operations, employee information was meticulously collected, and powerful departmental personnel were appointed to serve as the head of HR. These characteristics all indicate that there was relatively little information asymmetry between departments and central HR.

The Status of the HR Department of an Organization

Tomoyuki Shimanuki (Hitotsubashi University)

This article discusses the status of the human resource (HR) department of an organization in terms of authority and power in corporate strategy decisions. Since the 1990s, research has insisted that HR departments should play strategic and delivery roles to contribute to business strategy and firm performance for CEOs, rather than traditional and administrative roles to improve the efficiency of HR functions (e.g., recruiting, training, evaluation, pay, promotion) for line managers. The HR department's status in the organization has been labeled a "strategic position" or "strategic role" in the context of strategic human resource management. It has been measured as HR representatives' board membership and involvement in the formulation of corporate strategy. Research on European and American firms has implied that the strategic position of HR departments is related to the strength of internal labor markets and outsourcing of HR functions. This article analyzed company survey data on Japanese public-listed firms in 2016 and partially confirmed the relationship between the strategic position of HR departments and the strength of internal labor markets as well as the relationship between HR's strategic position and the outsourcing of HR functions.

The Employer's Transfer Orders and Employment Security

Sachiko Kanai (Aichi University)

The case law recognizing the employer's flexible right to transfer orders has been formed to avoid dismissals of workers and to maintain long-term employment. In contrast, the disadvantages to family life borne by workers were neglected. Only workers who could sacrifice this disadvantage could gain the benefit of long-term employment. But today, many workers take care of a child or family. In addition, the number of non-regular workers and professional staff has been increasing. When these

workers are ordered to change workplaces or type of work, they can't maintain their employment. Thus, the case law should be reviewed from the viewpoint of work-life balance and self-determination. So, the employer's flexible right to transfer orders should be restricted. This paper argues that the workplace and type of work workers do are very important working conditions, and the employer can't unilaterally order a change of workplace or type of work. Therefore, the employer must obtain a worker's individual consent.

Role and Status of Human Resources Department and Personnel Managers in German Corporate Organizations

Fumiki Ishizuka (Tohoku University)

This study explores the role of HR departments in German corporate organizations and examines the social status of German personnel managers. Previous literature investigated the functions of HR departments from the perspective of international comparison, among all, between the USA and Japan. Meanwhile, previous studies fail to consider the practices in important European countries. To fill this gap, this study focuses on HR departments and personnel managers in Germany with the help of interviews and the analysis of corporate documents. The results of this study can be summarized as follows: Unlike Japan, personnel decisions at German companies are made by each line function and not by the HR department. The latter concentrates on providing line functions with HR-related services and is confined to the role of executing the personnel policies elaborated by the executive board. On the other hand, German HR departments are allowed to gather personnel information across the entire company, with which they are authorized to join in a process of optimization of corporate staffing. Despite the importance of HR departments, German social partners tend to rate it relatively low in the corporate hierarchy because of its limited influence on corporate strategy and labor-management consultation. German personnel managers are characterized as specialists and playing managers. But outside the workplace, they work for many associations which represent the interests of all employers, which helps them to be influential in German society. An analysis of remuneration here shows that German personnel managers haven't received any favorable treatment from their employers; rather, the managers who had to do with core business fields tended to be ranked higher than others since the 1980's.

HR-Line Work Relationship in Japanese Organizations: Direction and Challenges

Yasushi Ichimori (Keio University)

This paper investigates the devolution of human resources (HR) responsibilities to the line both within a large Japanese company and a foreign-affiliated ("Gaishikei") company in Japan. Of interest is the finding from interviews that HR is primarily responsible for major HR management (HRM) designed based on Japanese Employment Systems, and the line is primarily responsible for HRM design based on the Anglo-Saxon type of Employment Systems in "Gaishikei" companies, even though they operate under Japanese labor regulations and conventions. From questionnaires, on the other hand, the study found that HR practices in Japanese companies is transforming into the "Gaishikei" style, while HR is still primarily responsible for HR management (HRM). It will create inconsistencies between HRM and the primary participation in HRM. The devolution of HR responsibilities to the line will increase, in theory, but it is also a fact that line managers claimed to be satisfied with the HR responsibilities that have devolved to them. This suggests that this research will act as a first step in re-assessing the relationship between HR and the Line in Japanese companies.

The Latent Structures of the Labour Market and the Effect of Employment Categories on Wages in Japan: A Latent Class Analysis with Finite Mixture Model

Kyoko Suzuki (The University of Tokyo)

This paper aims to elaborate the effects of employment categories on wages by examining the "latent" structures of the Japanese labour market. Based on the Employment Status Survey 2002, research shows that 1) the Japanese labour market

consists of two heterogeneous wage determination systems, 2) employment categories do not directly decide wage levels, but affect them through the choice of wage determination system, 3) those two systems don't exactly match the employment categories but intersect with them. All non-regular employees follow the single system of wage determination, while regular employees follow two different systems. This result suggests a modification of the common view that the Japanese labour market is polarized between regular and non-regular employees. The structure can be regarded as continuous from the 1980s, which implies that "non-regular employees" have grown within the existing structure of the labour market and contributed to preserving it.