### Abstracts

### Legal Issues of Fairness in Selection

Masanobu Mitsui (Professor Emeritus, Hiroshima University)

In an organization, multiple people (in some cases, many people) are involved in the entry, placement, and exit of staff members, so a certain amount of selection is inevitable, and even in companies that are places of employment, the situation is the same. In that case, the question is whether the company (employer) is free to make selections related to employment or personnel affairs, or whether certain legal restrictions and legal checks are required. If there are legal restrictions, what are they and what is their extent? Are such limits fixed, or are they being transformed in the midst of the great social and economic changes surrounding employment in recent years? This paper comprehensively examines these points from the standpoint of labor law, focusing on fairness, which is currently attracting attention, starting with recruitment, placement, transfer, secondment, and promotion, based on the conventional situation. It will also examine the ideal form of legal control over various kinds of selection, such as promotion, and also try to envision future prospects.

# <u>Selection Research in the Workplace: Theory and Empirical Evidence of Selection</u> <u>Methods Based on Interviews, Aptitude Tests, and Job Application Forms</u>

#### Tomoyuki Suzuki (Nagoya University)

This paper is structured within the lineage of research on selection, which is part of the recruitment activities in which companies recruit, select, and conclude labor contracts with workers directly employed by companies from the external labor market. Assuming a two-point relational structure between selection results given by the employment selection method and job performance after entering the company, the present study aims to discuss the theoretical background and major empirical studies about the selection validity of interviews, aptitude tests, and job application forms, focusing on the selection of new graduates. Firstly, as the theoretical background of the interviews, the author mainly focuses on reliability, structuring, and the constructs that serve as selection criteria. As empirical research, the author discusses job performance validity and its factors, following the global trend of major meta-analyses conducted since the 1980s. Secondly, as the theoretical background of aptitude tests, research on intellectual ability and personality traits is taken up. As empirical research, major meta-analyses on general mental ability and the Big Five personality traits are described, and job performance validity and its factors are discussed. Thirdly, the author argues that the theoretical background of the job application form is weak, noting that there are few empirical studies, and even the few empirical studies that do exist will need to be theoretically addressed in the future.

# Effects of Changes in University Admissions on Human Capital Formation: The Partial Introduction of Admissions with Multidimensional Evaluation Measures

#### Yuki Onozuka (Otaru University of Commerce)

Traditionally, the mainstream of Japanese university admissions has been based solely on written exams to measure academic achievement. However, over the past several decades, holistic admissions that also evaluate aspects other than academic achievement, such as "Suisen Nyushi" (examination by recommendation) and "AO Nyushi" (comprehensive examination by the admissions office), have become more widespread. Based on this trend, this paper focuses on the possible impact on human capital formation when a new type of admission with multidimensional evaluation measures is added to a society that has had only one type of admission with a single-dimensional evaluation measure. Theoretical and empirical studies are presented, focusing on two possible pathways of impact on human capital formation: first, changes in the allocation of students to universities, and second, changes in human capital investment behavior prior to enrollment. Although the related literature is limited, it suggests that the issue is complex. In general, admissions that evaluate university applicants holistically have higher selection costs than

admissions that evaluate applicants only by written exams. Therefore, whether such holistic admissions are effective and efficient in achieving the objectives of policymakers and universities must be carefully examined. Further research is needed in the future.

## Is There Any Change in the Positioning of New Graduates in Japanese Companies? Hiroki Yasuda (Tokyo Keizai University)

In this paper, we examine whether trends in new graduate recruitment by Japanese firms have changed, using data from the Ministry of Health, Labour and Welfare's "Survey on Employment Trends" and the "Survey on the Development of Diverse Work Styles and Human Resources Management" conducted by the Japan Institute for Labour Policy and Training. First, the results of the "Survey on Employment Trends" from 2013 to 2021 confirmed the following: the percentage of new graduates in the workforce under the age of 29 is increasing; this is especially the case among large companies with more than 1,000 employees; and, by industry, the percentage of new graduates is increasing in the financial and insurance sector and the information and communication sector. In addition, an analysis of the "Survey on the Development of Diverse Work Styles and Human Resource Management" conducted in 2018 confirmed that companies that provide active support for education and training place more importance on strengthening new graduate recruitment, and that companies with higher ordinary income growth place more importance on strengthening new graduate recruitment. The conclusions from the analysis in this paper suggest that the role of new graduates in the entry pathway of the young labor market remains important after the COVID-19 pandemic that began in 2019.

Is "Slow Promotion" in Japan Changing? Empirical Analysis of Changes in Promotion Age and Their Causes

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This study analyzes the changes occurring in slow promotion, which has long been regarded as a characteristic of human resource management in Japanese firms, and the factors contributing to these changes. Slow promotion motivates many people for long periods of time by obscuring the signals about management's evaluation of individual talent. Such a system has been seen as consistent with the Japanese corporate management system, which emphasizes horizontal coordination and internal labor markets. On the other hand, recent changes in the business environment that have increased the need for more vertical control to facilitate drastic business transformation as well as the pressure of the "war for talent" in the external labor market threaten the premises of such a traditional system. Analysis of our dataset (n=839) indicates that the average age of department managers ("bucho") and section managers ("kacho") at the time of promotion has declined over the past three years, and that this decline is associated with the pressure for business transformation and the war for talent, mediated by merit-based human resource management practices (promotion, assignment, and demotion), and not limited by seniority. The elimination or relaxation of age and tenure requirements in promotion decisions also contributed to the decline in promotion age.