

Abstracts

Points of Discussion regarding “Usefulness” as a Psychological Trait: From a Psychological Perspective

Atsushi Oshio (Waseda University)

In recent years, the use of psychological assessments, including aptitude and personality tests, has expanded in personnel decisions such as recruitment, placement, promotion, and development, not only in Japan but also internationally. At the same time, the widespread availability of free online personality tests has blurred the boundary between entertainment-oriented diagnostics and formal organizational assessments. This paper examines what it means for psychological tests to be “useful” from the perspectives of personality psychology and psychometrics. First, psychological constructs are conceptual entities that cannot be directly observed. Practical terms such as “communication competence” are often polysemous, and measurement inconsistencies may arise from jingle-jangle fallacies. Second, validity is reviewed in terms of content, criterion-related, and construct aspects, while also considering a unified view of validity that encompasses score interpretation and the justification of test use. Drawing on developments in positive psychology, the paper argues that the evaluation of “desirable” traits has shifted from normative judgments to predictive utility. Although empirical studies show that psychological variables can predict job performance with meaningful effect sizes, much variance remains unexplained, and correlations at the group level do not determine individual outcomes. Finally, usefulness is conceptualized as organizational, personal, and explanatory, and conditions for responsible use are proposed.

Personal Growth Ability and Talent Development Capabilities: From the Perspective of Experiential Learning and Communities of Practice

Makoto Matsuo (Aoyama Gakuin University)

This study examines personal growth ability and talent development capabilities from the perspectives of experiential learning and communities of practice. According to experiential learning theory, personal growth is determined by one’s ability to learn from experience. This ability consists of seeking challenging tasks, critical reflection, enjoyment of work, learning goal orientation, and developmental networks. Meanwhile, talent development capabilities may include on-the-job training (OJT) to support experiential learning, as well as team communities of practice (CoPs). OJT trainers support trainees’ experiential learning by stretching trainee objectives, monitoring their progress, promoting reflection, and providing positive feedback. Furthermore, team CoPs, which include domain (shared interests and objectives), community (collaboration and communication), and practice (shared knowledge), promote members’ knowledge creation and sharing. Future research should examine personal growth ability through job crafting, investigate coaching processes based on learning theories, and analyze the effects of human resource management systems on team CoPs.

How Does the Grade System of Japanese Companies Realize Meritocracy?

Atsushi Yashiro (Showa Women’s University)

This paper clarifies the perception of competence by companies through the function of an ability-based grade system. Unlike job grades, in which the presence or absence of a promotion “frame” called a vacancy determines promotion, an ability-based grade system evaluates the ability to perform the work required for particular jobs. Such a grade system is related to the Japanese employment system, recently referred to as a membership-based human resources system, and the Japanese employment system will not change as long as an ability-based grade system is sustained.

Imagined Meritocracy and the Skills Trap: Reassessing the Economic Value of Skills

Satoshi Araki (The University of Hong Kong)

In recent years, scholars and policymakers have argued that acquiring advanced skills is key to economic success. This notion is based on the strong assumption that meritocracy

functions in a way that allocates economic outcomes according to individual merit. However, the economic value of skills remains empirically elusive in contemporary Japan. Using data from the OECD Survey of Adult Skills for Japan (second cycle, 2022–2023), I employ propensity score matching, machine learning algorithms, and regression models. The results indicate that (1) higher skills significantly predict higher earnings on average; (2) the relative importance of skills in predicting earnings is smaller than that of gender and educational qualifications; and (3) depending on these attributes, the likelihood of reaching higher earnings brackets varies substantially among high-skilled workers, with women and less-educated individuals being particularly disadvantaged. These findings suggest that (1) meritocracy is largely “imagined,” and (2) a certain group of highly skilled individuals cannot attain economic rewards due to social structures—referred to as the “skills trap”—rather than a lack of merit. To realize the potential of skills as emphasized in recent policy debates, it is crucial to address societal constraints (e.g., persistent gender inequality, strong credentialism, absence of transparent job descriptions with clear skill requirements) while fostering skill development in an equitable manner.

Myth and Reality in the Concept of Firm-Specific Skills

Akira Wakisaka (Professor Emeritus, Gakushuin University)

There are two types of misunderstandings of firm-specific skills: first, that firm-specific skills exist only in Japanese companies, and second, that firm-specific skills are necessarily the source of a company’s competitive power. The concept of firm-specific skills is equivalent to the existence of Internal Labor Markets (ILMs), which are seen in every advanced country, as Gary Becker and Doeringer and Piore have found. Many definitions of firm-specific skills are ambiguous, but Kazuo Koike’s definition of “career building” is the most deeply considered. This concept has minor demerits but has excellent merits. To move beyond Koike’s definition, we need to reference Koike’s concept of “intellectual skills” in order to discuss the competitive power of companies. To clarify the reality of the concept of firm-specific skills, we need to do comprehensive research in every industry, in every country.

The Regional Human Capital Index (RHCI): Proposal of a New Indicator

Tetsuya Tsurumi (Nanzan University)

Shunsuke Managi (Kyushu University)

Amid intensifying global competition for talent, Japan’s declining relative wage competitiveness makes it a challenge to attract and retain highly skilled professionals in both industry and academia. Concurrently, technological advancements like generative AI are transforming work paradigms, thereby amplifying the role of a region’s comprehensive appeal in human resource locational preferences. To address this, we propose the Regional Human Capital Index (RHCI), a composite indicator quantifying “non-wage value” at the regional level. Drawing on prior research, the RHCI comprises five pillars: knowledge and innovation production, global reach and connectivity, quality of life and well-being, social capital and civic pride, and skill accumulation and inclusion. This framework integrates insights from the “Beyond GDP” movement, specifically emphasizing well-being, amenities, and social capital. We outline the index construction methodology, underscoring the necessity of robustness checks. Finally, using Tohoku–Hokkaido, Kyushu, and Tokyo as case studies, we present a strategy for redefining “regions of choice” and promoting them internationally—a rating approach we term “Michelin-ization”—through the lens of the RHCI.

Can Creativity Be Managed? The Paradoxes of Evaluation, Rewards, and Freedom vs. Constraints

Yuto Kimura (Toyo University)

In today’s competitive environment, high expectations are placed on employees’ creativity. However, managing creativity intentionally is difficult. As creativity by nature deviates from existing values, it entails an inherent management paradox. Based on a literature review, this study undertakes three tasks. First, regarding the rewards–creativity relationship, it highlights the risk that controlling incentives may undermine intrinsic

motivation, while also identifying the conditions under which rewards' informational function can foster creativity. Second, regarding the evaluation of creativity, the study focuses on the phases from idea generation to implementation and the concepts of contextual and process distance. It also addresses the structural limitations that trigger the undervaluation or rejection of innovative ideas, and proposes countermeasures. Third, regarding freedom and constraints, the study argues that unrestricted freedom does not necessarily enhance creativity; instead, creativity may emerge through the process of deviating from specific constraints. Accordingly, this study suggests that proactive bottom-up behaviors—such as issue selling, team learning, and creative deviance—are vital in generating and implementing ideas, thereby compensating for top-down interventions' limitations. In conclusion, managing creativity should not rely on unidimensional measures or normative approaches. Instead, the approach should realistically engage with paradoxical situations by understanding the complex interplay between individual characteristics and contextual factors.

The Wage Impact of a Career Gap after College Graduation

Yuki Sakaguchi (Komazawa University)

This paper investigates the extent to which entering regular employment after a post-graduation “gap” affects subsequent wages in Japan's college-graduate labor market. In the context of structural changes in the labor market since 2010, we assess whether wage consequences differ across cohorts and by gender. We define the treatment group as college graduates who obtained regular employment only after experiencing a gap period and the control group as those who entered regular employment immediately upon graduation, and then examine heterogeneous effects of delayed entry. The empirical results reveal pronounced cohort differences for male graduates. In instrumental variables estimates, men graduating in 1993–2009 face a sizeable wage penalty of approximately 31 to 39%, whereas the penalty for men graduating in 2010–2019 is substantially smaller, at around 9 to 10%. Taken together, these findings indicate that delayed entry into regular employment is associated with continued disadvantages in human capital accumulation even after securing a regular job, while the magnitude of the wage penalty has narrowed in the post-2010 period.