

# **Business Turnaround from the Perspective of Human Resources and Employment: Case Studies of Five Companies**

## **Summary**

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### **Research Period**

April 2004 to March 2005

### **1. Key questions and the range of this report**

In this research, **“business turnaround”** is defined as **“recovery of competitiveness of a company that had fallen into excessive debt, through review of business strategies and reorganization of business centered on competitive business operations.”** It is different from “corporate reconstruction” of the past in that in some instances, business turnaround may also include cases where competitive business units are separated from a company and continue in operation in another company.

Efforts for business turnaround became active as progress was made on disposal of bad loans. To effectively utilize human resources and other management resources while the pace of change in the business environment accelerates, business turnaround needs to be incorporated into the cycle of economic activity.

In this light, JILPT decided to conduct a research on the following questions, with a focus on empirical study of actual cases: **“What efforts should be made with respect to employment and human resources to contribute to making business turnaround a success?”** and **“How should business turnaround be conducted in order to effectively utilize human resources?”**

Since we intend to continue research on this topic after the publication of the report, the objective of this report is to present the issues for future research. Therefore, this report contains the results of the following work:

- (1) Compiling the basic data on business turnaround (Part II, Chapter 1.1 to 1.3).
- (2) Sorting out the issues by surveying related research in order to find clues on “viewpoints on the analysis of the relation between business turnaround and human resources and employment” (Part II, Chapter 1.4).
- (3) Picking out the issues related to human resources and employment by using the data obtained from an interview survey of the cases of five companies that underwent business turnaround, , making a broad sketch of the “issues related to human resources and employment in the context of business turnaround,” and presenting issues that need to be examined in the future (Part II, Chapter 2).

As will be described later, the sample cases were selected via industrial union federations that are actively involved in business turnaround, from among member (enterprise-based) unions of those industrial federations. Therefore, the involvement of labor unions in the business turnaround process in our case studies may be greater than average cases of business turnaround. As such, we also gave weight to presenting advanced efforts made by labor unions (enterprise-based unions and industrial union federations) in business turnaround.

On the other hand, to see business turnaround in perspective, there is also a need to investigate the state of business turnaround of companies that have no labor unions as well as those that have unions but not closely associated with the respective industrial federations. This will be investigated in the future research.

## **2. Method of research and survey**

### (1) Literature survey

Since “business turnaround” has begun to be actively undertaken only recently and the overhaul of the bankruptcy laws was carried simultaneously, research on business turnaround under the new scheme has only just begun. While case studies by management practitioners are gradually being accumulated, there is, in our knowledge, little preceding research with a focus on employment and human resources, with the exception of research done from legal standpoints regarding bankruptcy laws and workers’ claims.

Under these circumstances, we attempted to sort out policy documents on the background and trends of business turnaround. At the same time, we referred widely

to related preceding research for clues on how to set the analytical framework from the viewpoints of the law, economy, management, industrial relations, and employment management.

(2) Case study

① Interview survey on labor unions whose companies are undergoing business turnaround through legal reorganization

Interviews were held with the labor unions of five companies that have succeeded or that are expected to succeed in business turnaround under the Corporate Reorganization Law or the Civil Rehabilitation Law. In the selection of the companies, a request was made to industrial union federations that had a track record of involvement in business turnaround, and the subjects of the interviews were chosen from among member unions.

② Topics covered in the interview

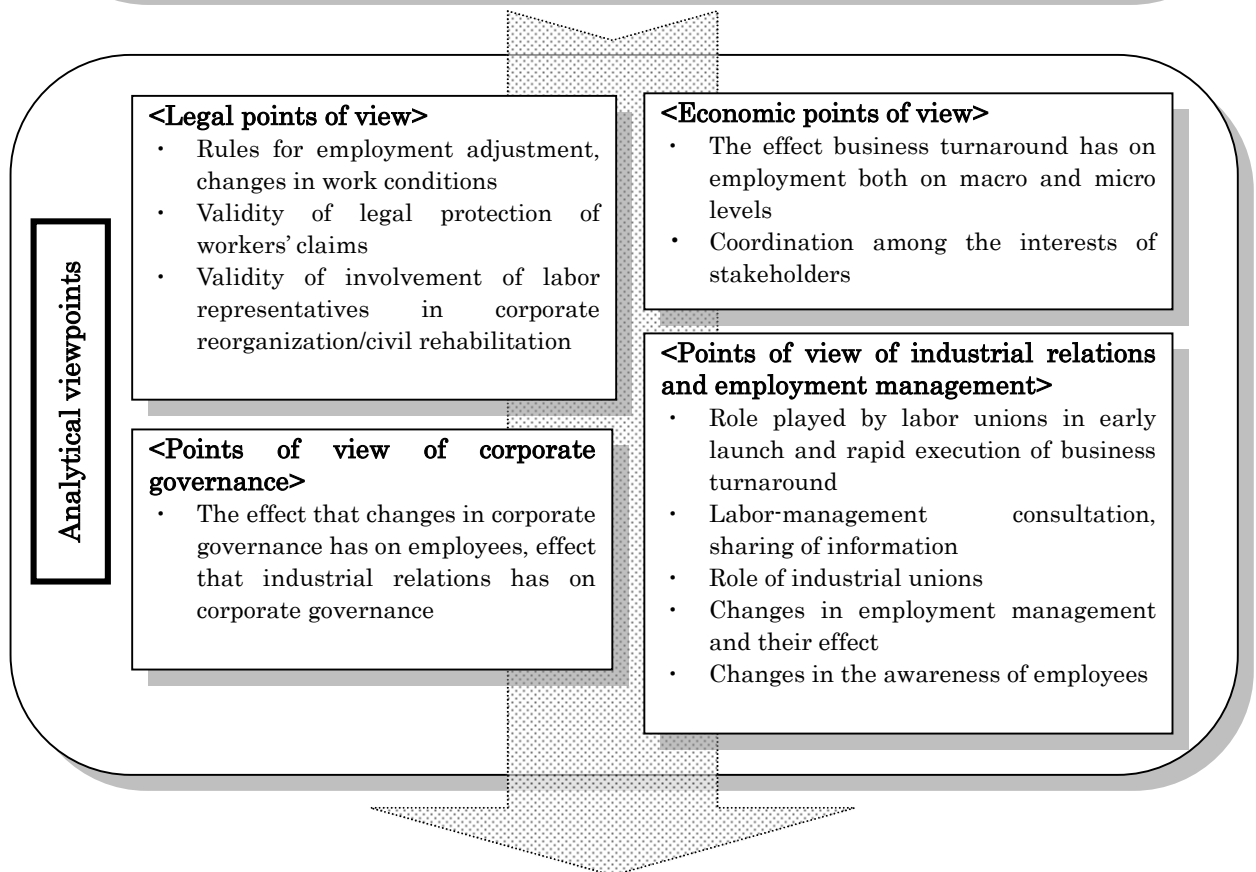
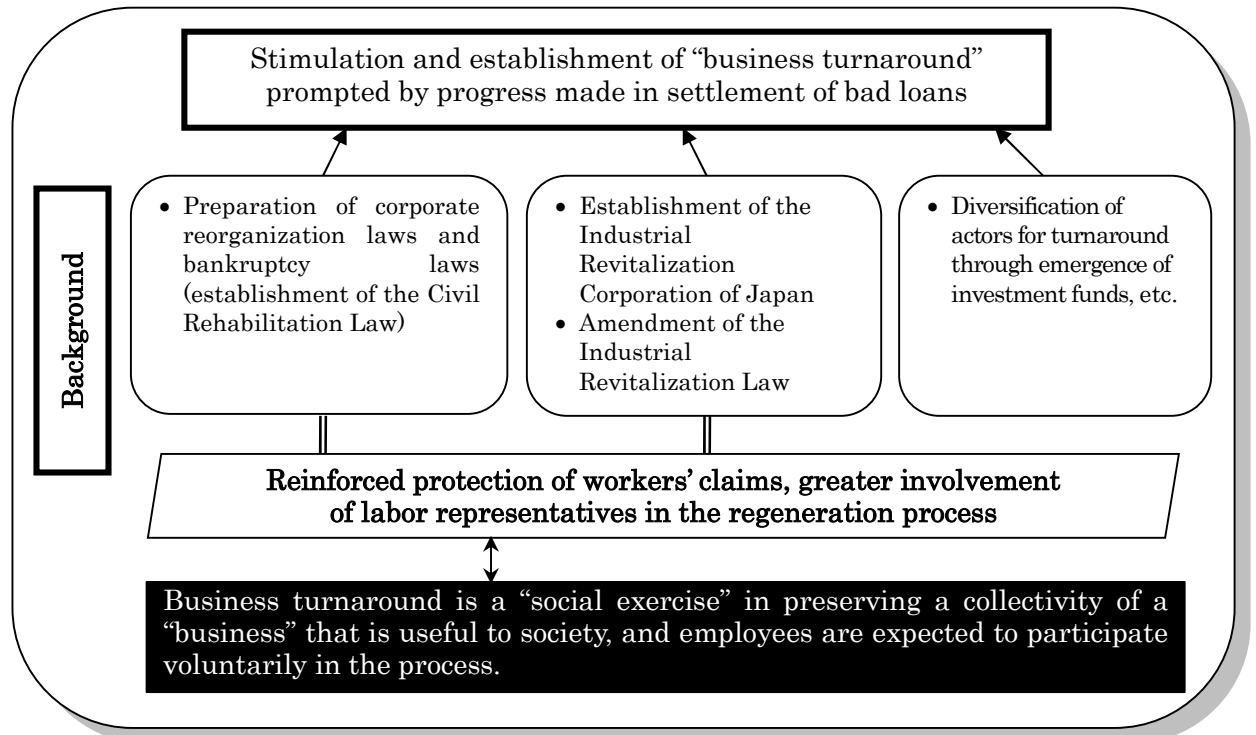
- I. Outline of the company and business turnaround
- II. Business turnaround with respect to finances
- III. Business turnaround with respect to business operations
- IV. Reform of the corporate organization and personnel management system
- V. Activities of the labor union
- VI. Utilization of labor policies for business turnaround
- VII. Changes in management indexes

③ Utilization of sources of information other than the interviews

In addition to the interviews, published information such as newspapers and magazines, books, papers, and financial data were used for analysis.

### 3. Outline of research results

#### <<Comprehensive Overview>>



Major changes and characteristics related to human resources and employment during business turnaround in the five cases

**Protection of workers' claims**

- ◇ Legal protection (priority in repayment) is effective but has its limits.

**Consciousness-raising, human resource development**

- ◇ An emphasis is placed on changing the consciousness of employees. Various methods are used including exercise of leadership by the top management, training, and consulting.

**Employment and working conditions**

- ◇ Substantial personnel reduction before and after legal reorganization (voluntary retirement program, reemployment of a limited number of employees after dismissing all employees, etc.)
- ◇ Suspension of pay raise, reduction of wages and bonuses, reduction of retirement allowances.
- ◇ Introduction of performance-based wage system.

**Involvement of labor union**

- ◇ Initiative taken by labor union for early launch of business turnaround.
- ◇ Comprehensive support provided by industrial unions to member unions of bankrupt companies.
- ◇ Flexible response of labor unions with respect to cutbacks in jobs and changes in working conditions, with the priority given to the preservation of the company.

**Future challenge** Conduct a more comprehensive examination and analysis on the aspects of human resources and employment as they relate to business turnaround, by expanding the subjects of the survey (collecting data from companies that have no labor union and from the management as well).

### 3-1. Relation between business turnaround and employment and human resources: background

Trends in business turnaround: progress made on bad loans stimulating business turnaround

As the resolution of financial institutions' bad loan problem became a national undertaking, settlement of bad loans through "reconstruction," whereby businesses are regenerated while preserving the physical and human resources accumulated in those businesses, became active.

There are three instruments for settling bad loans through reconstruction: the Civil Rehabilitation Law, the Corporate Reorganization Law, and private reorganization.

The use of the Civil Rehabilitation Law rapidly increased after it took effect in April 2000. Many companies, however, fail to reconstruct itself after application of the law. The path to successful business turnaround is not easy.

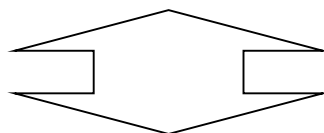
Compared to the Civil Rehabilitation Law, the number of companies using the Corporate Reorganization Law is small. But because many large companies use this law, its social impact is significant.

In private reorganization, banks waive bad loans and promote corporate reconstruction without going through legal proceeding. There is a bias in the type of industries and size of companies that resort to this means.

Systems related to business turnaround, changes in actors

- Preparation of various systems related to corporate reorganization and bankruptcy laws: **reinforcement of protection of workers' claims**
  - Preparation of legal systems for promoting corporate reorganizations through holding companies, break-up of companies, and transfer of business.
  - Overhaul of the bankruptcy laws and reinforcement of protection of workers' claims (establishment of the Civil Rehabilitation Law and amendment of the Corporate Reorganization Law, the Civil Law related to liens, and the Bankruptcy Law)
- The government's efforts towards corporate and industry turnaround
  - Drawing up of the "Basic Policy on Business and Industry Turnaround" (Dec. 2002)
  - Establishment of the Industrial Revitalization Corporation of Japan, promotion of business turnaround through the Resolution and Collection Corporation (RCC) and councils for supporting in small- and medium-sized companies' turnaround.
  - Joint government-business efforts in securing and training turnaround managers

- Emergence of foreign and domestic investment funds
- **Greater role of labor unions in the process of business turnaround**
  - Institutionalization of labor unions' involvement in civil rehabilitation, corporate reorganization, and bankruptcy proceedings
  - Involvement of labor unions in Industrial Revitalization Corporation of Japan
  - Obligation of labor-management consultation for companies applying for business regeneration under the Law on Special Measures for Industrial Revitalization
- The launch of the Project for Concentrated Assistance for Employment Regeneration (measures for job leavers arising from settlement of bad loans)



Social context surrounding business turnaround

■ **Social mission of “business turnaround”**

“Business turnaround” is an important social issue to which the government and businesses have cooperated in addressing, as prompted by the progress made on bad loans. The objective of “business turnaround” is to prevent the collectivity of a business (people, plant, intangible assets, etc.) that generates useful added value for society from disappearing or dispersing as a result of corporate failure, etc. or to remove factors that inhibit companies to exercise their potential in generating added value. In this respect, although “business turnaround” overlaps, as an event, with “corporate reconstruction,” it is a conduct that is more social in nature than the latter, which is focused more on providing relief to stakeholders of a company. Therefore, in considering the issue of business turnaround and employment and human resources, the social nature, or social mission, of business turnaround should be taken into consideration.

■ **Expectations on employees’ and labor unions’ voluntary participation in business turnaround**

As the system for promoting business turnaround was prepared, the involvement of labor unions and other employee representatives (consultation, hearing, etc.) in the respective phases in the process of business turnaround was institutionalized. This provided a framework for considering the negative aspects of business turnaround,

such as cutbacks in jobs and a decline in working conditions, as well as for bringing out the commitment of employees, which is indispensable to make business turnaround a success.

In carrying out this research, it should be kept in mind that voluntary participation of employees and labor unions in business turnaround not only serves the interest of employees themselves, but their participation is also expected from society.

### **3-2. Issues related to business turnaround and employment and human resources: from a survey of preceding research**

#### **(1) Legal points of view**

- Rules on employment adjustment caused by business turnaround
- Rules on changing working conditions at a time of business turnaround
- The question of succession of labor contracts in the case of transfer of business
- The issue of workers' claims
- The positioning of labor unions in bankruptcy laws: Is it enough just to conduct hearing on labor unions?

#### **(2) Points of view of corporate governance**

- Effects that change in corporate governance have on employees at the time of business turnaround
- Effects that employees and labor unions have on corporate governance
- How to distribute losses and profits arising from business turnaround among the stakeholders
- The issue of securing and training turnaround specialists

#### **(3) Economic points of view**

- Effects that business turnaround have on the macro levels of employment
- Relation between business turnaround and employment adjustment in individual companies

#### **(4) Points of view of employment management and industrial relations**

- Industrial relations in the process of business turnaround
- Changes in working conditions and employment management in the process of business turnaround and their effects
- Changes in employees' perceptions brought about by bankruptcy



## 3-3. Case study: from interviews of labor unions

## (1) Characteristics of business turnaround of five companies

	Company A	Company B	Company C	Company D	Company E
<b>Industry</b>	Supermarket	Supermarket	Supermarket	Resort	Sale of clothing
<b>Legal scheme</b>	Corporate Reorganization Law (former)	Corporate Reorganization Law (former)	Corporate Reorganization Law (former)	Corporate Reorganization Law (former)	Civil Rehabilitation Law (pre-packaged)
<b>Turnaround scheme</b>	Capital injected by a business corporation operating in the same industry. Became a subsidiary of the business corporation.	Capital injected by a business corporation operating in the same industry. Became a subsidiary of the business corporation.	Capital injected by a business corporation operating in a different industry. Became a subsidiary of the business corporation.	Capital injection by a foreign investment fund	Transfer of business to a new company established by a domestic investment fund
<b>Main reasons for failed business</b>	Overinvestment Decline in operational strength	Overinvestment Inefficient management	Overinvestment Failure in diversification	Overinvestment Lack of management effort	Avoidance of reform because of overemphasis on tradition, decline in competitiveness
<b>New management</b>	Sent from the sponsor (peer company)		Sent from the sponsor (business corporation in another industry)	Professional hotel managers	Sent from the investment fund + fashion experts
<b>Turnaround strategy</b>	Change in management, selection and concentration, cost cutting				
	Improvement in communication between head office and stores				Change of management philosophy
	Operational reinforcement	Utilization of the group's strength	Remodeling of stores, new outlet expansion	Innovation of facilities through large-scale investments	Development of own brand
<b>Business operation after turnaround</b>	Concentration on retailing as a member of the sponsor company's group	Specialization on food retailing as a member of the sponsor company's group	Reinforcement of the food division, coordination of product policy with the sponsor company's group	Construction of new hot spring and spa. Attraction of customers from Asia.	Development of own brand. Aim to become a specialty retailer of private label apparel (SPA) in the future.
<b>Workers' claims</b>	Repayment of all debts (unpaid retirement)	Reduction of unpaid retirement allowances by	None	Repayment of all debts (unpaid retirement)	Repayment of all debts (unpaid retirement)

		allowances)	10%		allowances)	allowances)
<b>Employment adjustment</b>	<b>Before bankruptcy</b>	Voluntary retirement program	Transfer of employees through transfer of business	Voluntary retirement program		Voluntary retirement program
<b>Employment adjustment</b>	<b>After bankruptcy</b>	Nonreplacement for retirees	Nonreplacement for retirees	Voluntary retirement program	Non-reemployment of some of the employees after dismissing all employees, transfer of employees through transfer of business, voluntary retirement program	Non-reemployment of about half of employees after dismissing all employees
<b>Wages, retirement allowances, etc.</b>	<b>Temporary measures</b>	Reduction of salaries and bonuses	Reduction of bonuses	Suspension of annual pay raise, reduction of bonuses	Suspension of annual pay raise, reduction of salaries and bonuses (before legal reorganization), reduction in the number of holidays	Reduction of salaries Reduction in the number of holidays
	<b>Wage system</b>	Introduction of a performance-based wage system				
	<b>Retirement allowances, welfare</b>	Dissolution of employees' pension fund, reduction of benefits by 10%	Reduction of retirement allowances by 10%	Reduction of retirement allowances by 30%		Plans for adopting advanced payment of retirement allowances Abolition of all welfare services
<b>Awareness-raising, vocational development</b>		Reinforcement of training	Reinforcement of training	Emphasis on awareness-raising	Reinforcement of training	Emphasis on awareness-raising

<p><b>Involvement of labor unions in business turnaround</b></p> <p><b>Support of industrial unions</b></p>	<ul style="list-style-type: none"> <li>• While the management was in a state of confusion, the labor union was a powerful driving force in starting the business turnaround.</li> <li>• The labor union made an effort in finding the sponsor.</li> <li>• Continued support in business activities such as responding to suppliers, supervising stores, etc.</li> <li>• Avoidance of confusion by providing information to employees.</li> <li>• Several people from the industrial union were stationed at the companies and set up a commission to provide full support.</li> </ul>	<p>A request was made for resignation of the company chairman who opposed filing for the corporate reorganization proceeding.</p>	<ul style="list-style-type: none"> <li>• The labor and management cooperated closely ever since the deterioration of the company's finances and began preparing for business turnaround.</li> <li>• Efforts were made in cooperation with the industrial union to find trustees and sponsors and to coordinate with financial institutions.</li> </ul>	<ul style="list-style-type: none"> <li>• A request for government support was made through the assistance of the industrial union.</li> <li>• The industrial union called on its member unions and international federation of unions to use the company's hotel and was successful in attracting visitors.</li> </ul>	<ul style="list-style-type: none"> <li>• A commission was set up with the assistance of the industrial union, and negotiations were held with the management.</li> </ul>
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### 3-4. Findings and issues

#### **Business turnaround strategy**

- ▶ With respect to securing a turnaround manager, the “Japanese-style industrial partnership,” in which leading companies in the same industry or similar industry as the bankrupt company assist turnaround of the bankrupt company, may also be effective.
- ▶ The question of how many personnel to bring in from the outside may depend on the extensiveness of the damage on the company’s core business. If radical business reform is required, the dependence on outside personnel would be great.
- ▶ Improvement in communication within an organization is one of the top priorities in business turnaround. The actual measures used to improve communication may vary widely depending on each case.
- ▶ The speed of business reform may be governed to a great extent by the time axis of investment recovery.
- ▶ Selection of business operations for business turnaround (selection and concentration) may reflect not only expectations on the operations’ profitability, but also other factors including the manager’s management philosophy and corporate outlook and the intentions of the company in which investments will be made. Selection of business operations has an impact on maintenance or loss of employment. In drawing up a turnaround strategy, how should the effect of the selection on employment be taken into consideration?

#### **Repayment of workers’ claims**

- ▶ As workers’ claims are legally protected, they are, in general, repaid preferentially. There was, however, a case where a company repaid a part of nonpreferential turnaround debts but cut the amount of workers’ preferential claims. How common is this practice? Why does it occur?
- ▶ To grasp the economic advantages and disadvantages of employees in the entire process of business turnaround, there is a need to examine the settlement of workers’ claims as well as any reduction in salaries and bonuses.
- ▶ As regards employees’ in-house savings deposits, not all deposits are repaid preferentially. There is a need to let employees know in advance of this arrangement.

#### **Changes in employment**

- ▶ In many cases, substantial reduction in personnel may occur from the time of deteriorating finances before applying for legal reorganization proceeding to after the application. Various methods of personnel reduction are used, including the voluntary retirement program, reorganization and dismissal (non-reemployment of some employees after dismissing all employees), non-replacement of retirees, and transfer of employees through outsourcing and transfer of business.
- ▶ Characteristic of the methods of job cutbacks at the time of business turnaround is the methods of “dismissing all employees at first and then reemploying the necessary number of personnel” and of “transferring employees to another company through transfer of business” (the number of employees who are transferred may often be reduced at the same time).
- ▶ In cases where voluntary retirement program is introduced before bankruptcy, many employees may apply because of strong concern about the continuance of the company.
- ▶ Support provided by employers and labor unions to job leavers was mainly in providing know-how on reemployment. No companies in the case studies secured jobs for employees and provided other placement services. The situation may vary depending on the employment conditions in respective regions and on the intention of employees to be reemployed, but it appeared that both labor and management were too preoccupied with the confusion before and after legal reorganization that they could not afford to provide such assistance. With respect to government support, the government was relatively fast in preparing a framework for support, perhaps because the cases examined were mainly of large companies. However, the number of companies that actually relied on government support was few.

#### **Changes in wages, working conditions, and treatment**

- ▶ Reduction of labor costs is an important step in making business turnaround a success. Various measures are taken including suspension of pay raise, reduction of wages and bonuses, and reduction in the amount of retirement allowance. There are also cases of cutting the number of holidays and abolishing welfare services.
- ▶ With respect to wage system, many companies introduced the performance-based wage system based on a management-by-objectives approach.
- ▶ In cases where radical business reform is required, employees' work load may increase as a result of changes in the methods of doing work and an increase in the business volume.

### **Awareness-raising and vocational development**

- ▶ At a difficult time immediately after bankruptcy, not a few companies adopted a strategy of substantially reinforcing training and focused on the acquisition of basic skills required in the performance of work.
- ▶ Turnaround managers who are familiar with the company's industry may focus on upgrading employees' skills through training because they know which skills are essential in their industry.
- ▶ Realizing that the event of a bankruptcy brought about a reform in employees' awareness, a company was making an effort to pass down the experience to its employees.
- ▶ A rapid reform of employees' awareness may result in repulsion or friction. There may be a need for a buffer to lessen the shock.
- ▶ There may be a need to grasp the conditions of employees before drawing up a turnaround strategy and to monitor, as required, the views of employees during the process of business turnaround, as employees tend to be overburdened at this time. In this case, the labor union could coordinate with the management about employees' education and training programs and fulfill the role of drawing the opinions of employees through different channels from those of the management.

### **Industrial relations**

- ▶ A change in the management as a result of the initiation of legal reorganization proceeding and particularly installation of the new management from the outside may significantly alter the industrial relations.
- ▶ In cases where the sponsor is an investment fund, the relation with the labor union appears to vary depending on the investment fund. It may be that the relation with the labor union is more determined by the policies of individual managers and other factors than the type of investment fund.

### **Response of enterprise unions and industrial unions**

- ▶ In some cases, labor unions may promote early start of legal reorganization more actively than the management.
- ▶ During the implementation of a plan of rehabilitation and turnaround, the decision on to which extent to listen to the views of the labor union with respect to working conditions rests with the trustees rather than the court.
- ▶ In all of the case studies, the labor unions considered the promotion of business

turnaround positively and worked towards this end in cooperation with the trustees and the new management in each phase after the application was made for legal reorganization. In some cases, the labor unions took the initiative in exercising leadership in the workplace in place of the management amid the confusion immediately after bankruptcy. On the management's proposals on employment adjustment and changes in working conditions that were disadvantageous to employees, the labor unions conducted constructive talks with the management and reached agreement with them with the objective of securing the greatest number of jobs overall.

- ▶ By providing accumulated expert knowledge and personnel, industrial unions play the role of firmly supporting enterprise unions in their effort to promote business turnaround. Industrial unions' networks are also used successfully to find sponsors and to coordinate with financial institutions.
- ▶ Considering the important role played by industrial unions in each of the five case studies, there may be a need to provide some sort of external support, on how to proceed in each phase of business turnaround, to enterprise unions that are not affiliated with an industrial union and to employees of a company that has no labor union.

#### **Related government policies**

- ▶ In the case of large-scale bankruptcies, the government was relatively swift in preparing a framework for assistance.
- ▶ The project for reimbursement of unpaid wages is well known and utilized.

### **3-5. Policy implications**

Because this is an interim report of the survey and research, we expect to consider policy recommendations in subsequent research. Indicated below are, however, a number of things that we noticed, which could be used as a springboard for future discussion. For the purpose of this report, the term "policy" includes efforts made by the government as well as by labor and management.

#### **● Support of labor unions and employees of companies that have no labor unions in their effort for business turnaround**

The role that the labor union can play in making business turnaround a success cannot be ignored. For company unions, however, they have no prior experience in

business turnaround, and it is very difficult for them to respond appropriately to the situation on their own. The five unions in this survey all received the firm support of industrial unions in carrying out legal proceeding, workplace assistance, and labor-management negotiations. Without the support of industrial unions, the situation could have been much different; their efforts for business turnaround might even have failed.

Considering the role played by industrial unions, there is a need to provide some sort of support, on how to go about business turnaround, to enterprise unions that cannot expect to receive the assistance of their affiliated industrial union when faced with the prospect of business turnaround or to enterprise unions that are not affiliated with any industrial union.

To regress, before we can discuss on the issue of industrial unions' support to enterprise unions, there is obviously an important question of how to protect workers' rights and secure opportunities for employees to participate in the process of business turnaround in companies that have no labor unions. The examination of this question, however, requires information on actual cases of business turnaround of companies that do not have a labor union. Therefore, we will avoid further discussion on this question at this point.

### ● **Collection and provision of information on cases of business turnaround**

In relation to the above, it will be beneficial to collect information on and make analysis of how the issues of employment and labor were dealt with in various cases of business turnaround and how labor unions and labor representatives participated in business turnaround, and provide the results to labor unions and others related to labor unions.

With the objective of training turnaround managers, case studies are actively been made from the standpoints of turnaround managers, turnaround specialists, and financial institutions. It is hoped that the analytical viewpoint of "labor" would also be taken into consideration in these case studies.

## **3-6. Future issues**

### ● **Conduct of a broader survey**

The companies in our survey's case studies shared common attributes in that they were all "large-sized companies" operating in the "distribution and service industries" and they all "had a labor union." All of the companies also received active support of



industrial unions for business turnaround. For a future survey, there is a need to expand the study of cases of business turnaround to include companies that do not have labor unions, companies in different industries, and companies of different sizes. Some information on the details of business turnaround can only be obtained from the management side. Therefore, it will be beneficial to collect information from managers and turnaround managers as well.

In addition, with respect to the legal scheme for business turnaround, four of the companies in the case studies adopted the former Corporate Reorganization Law, and one company adopted the Civil Rehabilitation Law. Future research should also focus on cases of companies undertaking business turnaround under the amended Corporate Reorganization Law and cases of different turnaround patterns under the Civil Rehabilitation Law, which is used by a large number of companies.

● **Analysis of existing data on cases of business turnaround**

Practitioners of business turnaround are currently undertaking compilation and analysis of a collection of cases of business turnaround. It may also be possible to use this kind of data for analysis.

● **Analysis of cases to which the Industrial Revitalization Corporation of Japan provided support**

The Industrial Revitalization Corporation of Japan is a large-scale project made possible through the cooperation of the government and business, and it is expected that the organization would accumulate various expertise on business turnaround. It will be useful to look at the cases to which the Corporation provided support and analyze the effect that the process of turnaround had on employment and labor, how consultation with labor representatives was carried out, and how the expertise of labor unions is reflected in the management of the Industrial Revitalization Corporation and its effect on the process of turnaround.

## **Composition of the Report**

### **Part I. Outline**

1. The issues and the range of this report
2. Method of research and survey
3. Outline of research results

### **Part II**

**Introduction: How is business turnaround related to the issue of employment and human resources?**

**Chapter 1. Relation between business turnaround and the issue of employment and human resources: background and analytical viewpoints**

Section 1.1. Trends in business turnaround: stimulation of business turnaround prompted by progress made on bad loans

- 1.1.1. Promotion of settlement of bad loans
- 1.1.2. Progress made in settlement of bad loans through “reconstruction”: the Civil Rehabilitation Law, the Corporate Reorganization Law, and private reorganization

Section 1.2. Preparation of systems and environment for promoting business turnaround and positioning of labor issues

- 1.2.1 Preparation of various systems related to corporate reorganization and bankruptcy laws: reinforced protection of workers’ claims, greater involvement of labor unions
- 1.2.2 The government’s efforts towards corporate and industrial turnaround: establishment of the Industrial Revitalization Corporation of Japan
- 1.2.3 Emergence of foreign and domestic investment funds
- 1.2.4 Greater role of labor unions in the process of business turnaround

Section 1.3. Labor policies related to business turnaround

- 1.3.1 The launch of the Project for Concentrated Assistance of Employment Turnaround
- 1.3.2 Utilization of the Project for Reimbursement of Unpaid Wages

Section 1.4. Issues related to business turnaround and employment and human resources: from a survey of preceding research

- 1.4.1. Legal points of view
- 1.4.2. Economic points of view
- 1.4.3. Points of view of corporate governance

1.4.4. Points of view of industrial relations

1.4.5. Points of view of employment and human resources management

Section 1.5. Summary

1.5.1 Implications of this chapter: social context surrounding “business turnaround”

1.5.2 Analytical viewpoints and issues

**Chapter 2. Case study: from interviews of labor unions**

Section 2.1. Method of survey

Section 2.2. Outline and characteristics of five cases of the survey

Section 2.3. Business turnaround strategy

Section 2.4. Repayment of debts and handling of workers’ claims

Section 2.5. Changes in employment

Section 2.6. Changes in wages, working conditions, and treatment

Section 2.7. Efforts in consciousness-raising and vocational development

Section 2.8. Industrial relations

Section 2.9. Response of labor unions (enterprise unions and industrial unions) in the process of business turnaround

Section 2.10. Uses of and needs for policies related to business turnaround

**Epilogue: Summary and future issues**

[Reference materials]

[Appendix]