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**Diversification of Employment Patterns: The Current Situation and Issues –  
Focused on Part-Time Workers in Japan**

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**1 Introduction: The Diversification of Employment Patterns in Japan**

Employment structures are diversifying against the background of a growing service industry economy, with a conspicuous increase in workers such as part-time and dispatch workers (hereby referred to non-standard workers) employed on a basis other than as standard company employees. According to a Ministry of Health Labour and Welfare (MHLW) *General Survey on Diversified Types of Employment* (1999), 27.5% of workers are non-standard, with part-time workers accounting for the highest proportion of these at 20.3%, followed by contract employees at 2.3% and dispatch workers at 1.1%.

Conditions for the part-time workers who constitute the greatest number of these non-standard workers, are also not uniform. There are two types of part-time employees; 'legal' part-time workers and 'nominal' part-time workers. 'Legal' part-time workers are those defined in the Part-Time Labor Law as short-time workers whose fixed working hours per week are shorter than the fixed working hours of regular workers employed at the same company. 'Nominal' part-time workers are referred to according to the label used in their workplace. A look at the Management and Coordination Agency *Labor Force Survey* shows that in 1985 there were 4.71 million short-time workers (employees who work less than 35 hours a week in non-agricultural or forestry industries) and this number had climbed to 12.05 million by 2001. Housewives make up a large part of part-time workers, but this does not mean they are evenly distributed throughout all fields of employment. If we look at the separate areas in which part-timers are employed, wholesale, retail and restaurant, service industries and manufacturing make up the four major areas in which they are employed, with shops being the most common type of workplace, followed by factories. Hence it can be inferred not only that the greatest employment of part-time workers is in wholesale and

retail, and restaurants, but also that employment of part-time workers at factories is increasing. This fact is said to be a feature of Japanese part-time employment.

Reasons often given for employing part-time workers are to 'save on labor costs' and 'cope with the fluctuations in work during a day or week'. Reasons also increasingly being given for working part-time are 'to supplement household income, obtain education costs' and 'because I can work at a time that is convenient for me'.

Dispatch workers on the other hand, are 'those who conclude a contract of employment with the placement agency, and carry out duties according to instructions received at the workplace to which they are sent.' They have become an institutionalized part of the labor system with the Temporary Staffing Services Law (1986). Twenty six categories of specialist work, starting with operation of office equipment, were initially approved, but these were liberalized these in principle, with the exception of 5 categories in manufacturing etc., through amendments to the law in 1999. The ban on dispatching workers for manufacturing work was also lifted in 2003. According to a MHLW *Report on the Temporary Staffing Services Industry*, there were 612,000 dispatch workers in FY1995, but this had increased to 1,747,000 in FY2001.<sup>1)</sup> (These figures cover regular workers dispatched from specialist staffing agencies, regular workers from general staffing agencies, and registered workers at general staffing agencies). A difference from part-time workers can be seen in the reason most commonly given for employing dispatch workers, which is to 'cope with specialized tasks'.

Thus there is a tendency towards an increase in both part-time and dispatch workers. Looking at companies policies on their future use - and given the strong tendency of companies to bring up such keywords as 'specialization' and 'low labor costs' to try and combine standard with non-standard workers in their policies on future use of such labor – chances are high these numbers will also increase in future.

An important point to pay attention to here, however, is the fact that accompanying this progressive increase in non-standard workers, is a decrease in standard workers. Unfortunately there are insufficient statistics and surveys to accurately illuminate the situation on diverse employment patterns, but whether it be for part-time or dispatch workers, data does exist. When this data, that takes certain definitions of non-standard labor, is arranged as time-series data it shows non-standard employment is increasing on the one hand while standard employment is decreasing on the other.<sup>2)</sup>

This diversification of employment has been explained so far as the result of a rough matching of needs between companies and workers - what is called 'supply and demand matching'. However, when there is not only diversification in employment patterns, but a trend towards substitution becomes apparent as well, then it is necessary to examine the significance and limits of analysis perspectives to date.

First, is the reality that while non-standard employment continues as an integrated mainstay and force in business, there is no reduction in the gap in levels of work benefits and treatment. The approach up to now that has stressed non-standard labor as a mainstay labor force and strategy, teaches the example of strategic training of capable part-time workers (what is called the 'mainstay' explanation). This emphasizes the establishment of occupational grading, striving to raise morale, and advancing careers by promotion to higher ranks. In this scenario part-time workers no longer simply assist with peripheral and auxiliary duties, because they are no different from regular employees in being a key labor force. But if it is correct to interpret this as the systemization of part-time workers as a mainstay labor force, why is it necessary for it to accompany a reduction in regular labor, and it also cannot adequately explain why there is no reduction in the wage gap between part-time and regular workers.<sup>3)</sup>

Second, is that the 'supply and demand matching' explanation thus far assumes that part-time workers choose this form of employment because they want to, but there is an increasing tendency for part-time workers who, as their years of continuous work grow longer, to become dissatisfied with the gap between their own wages and that of regular employees.<sup>4)</sup>

Third, is that the 'supply and demand matching' explanation also assumes that many part-time workers are working to supplement family incomes, but recently there has been an increase in part-time workers who support a household, and are living off their earnings.

Fourth, is that looking at the motives of companies for using part-time workers, in 1995 'the labor cost is comparatively lower' (38.3%) was given by about the same proportion as 'to cope with a busy part of the day' (37.3%) and 'because the work is easy' (35.7%), but in 2001 that proportion reached 65.3%. (MHLW, *General Survey on Part-Time Labor*. Result of multiple choice questions)

Consequently, survey research in Japan has begun to appear, pointing out the negative aspects of using non-standard employment. According to this research there are

both negative and positive aspects to the use of non-standard employment, and if the right balance between non-standard and regular employment is upset by an increase in non-standard labor, it is feared there will be problems such as a decline in the functions for fostering development of regular new employees, reduced unity in the workplace, and secret information may be leaked (Rengo Soken (Research Institute for Advancement of Living Standards) 2001, Kimura 2002).

These are the trends in non-standard employment in Japan. Such trends can also probably be observed in other countries.

## **2 Research on Labor Flexibility in Europe and America**

Research on flexible firms and flexible staff arrangements in Europe and America has meanwhile been attracting attention

### **(1) Flexible Firm**

The 'flexible firm' model (Atkinson 1985), which has generated interest in Europe and America, is a business model for a new form of labor distribution, conceived of by English employers, to respond to a background of environmental change such as market uncertainty and technological changes. It posits two possible methods of responses to fluctuations in the volume of work and cost cutting pressures: (1) Fix the number of employees and improve the capabilities of the labor force (secure functional flexibility); and (2) Increase and decrease the number of workers to match fluctuations in business volume (secure numerical flexibility). A company has core duties and peripheral duties; since core duties are borne by multi-skilled employees who have become insiders in the firm and have career prospects, much of the core work is performed by regular employees and thus much of the peripheral work is performed by non-standard employees. In this way the flexible firm model takes shape, with a structure that raises functional flexibility through regular employees undertaking core work, while numerical flexibility is raised by non-standard employees undertaking peripheral work. A number of critiques of this flexible firm model of Atkinson's have been put forward.

First, is that Atkinson's flexible firm model is a type of 'normative concept' that has not been actually verified, and no proof has been shown of the proper ratio between core and periphery. (Pollert 1987).

Second, according to the results of a time-series analysis of macro data, is that

using non-standard labor and outsourcing are not the 'planned and strategic' tactics hypothesized by the flexible firm model, but simply an indication that opportunism aimed at reducing labor costs, is mainstream. (Hakim, 1990)

## (2) Flexible Staffing Arrangement

Flexible Staffing Arrangement (FSA) means to utilize various types of non-standard staff, such as short-term contracts, on-call workers, temporary staff, and contractors.

First, according to research results, FSA is on the rise in the United States, with the aim of dealing flexibly deal with fluctuations in labor demand and vacancies, and reducing labor costs etc. It has been pointed out that compared to regular employees, non-standard workers have uncertain job security and inferior fringe benefits (Kalleberg et al, 1997; Houseman 2001), however it has also been pointed out that the employment security of regular core employees can be increasingly raised through using FSA when employers and unions demand it (Gramm and Schnell, 2001).

Second, is the knowledge of organizational behavior according to results analyzed from the viewpoint of the psychological experience of contingent workers, which indicates that there is a tendency for the uncertainty caused by a lack of continuous employment to have a negative impact on the degree of instability, possibility of guessing prospects and the level of satisfaction with work duties (Beard and Edward, 1995). It is also noteworthy that when regular employees are reduced through restructuring, even if this pays off temporarily in terms of cost, in the long run there is no boom in innovation (Moss et al, 2001).

## **3 Policy Direction on Part-Time Workers in Japan**

I have surveyed research on the process of substitution accompanying the advance of diversification, and these trends bring up policy challenges. If we look at part-time workers only, the proposals of the MHLW Research Group on Part-Time Labor (2002) are of interest. Their report states that (a) the spread of diverse forms of working is also a changing of the times; (b), as we have already seen, demands for cost reductions are in the background to the reduction of standard employees while non-standard types of workers such as part-timers increase, and this may possibly accelerate a substitution process; (c) it is feared the result of this will have repercussions for the employment of

young people and restrict their opportunities. Furthermore, (d) in spite of the fact that part-timers are becoming a key labor force, the reality is that job benefits and treatment, and employment certainty do not reflect the work that is done by them; and (e) therefore, in order that diverse forms of working may expand in a desirable form, (i) it is necessary for labor and management to reach agreement on work benefits corresponding to work performed by both part-time and regular employees, and (ii) it is proposed that ‘Japanese-style balanced rules of treatment’ should be established to suit the situation in Japan (if there are part-timers doing the same work as regular employees, consider a combined method of deciding benefits to achieve a balance) and fostering ‘a structure that allows diverse forms of working to occur’ (simply speaking, the establishment and spread of a system for short-time regular workers, and converting from part-time to regular employee).

Incidentally, there is a clear resonance in part between the model at the base of this policy direction and the argument concerning labor flexibility. Number one, is that at the base of the model for policy on part-time labor, is the fear of an ad hoc and opportunistic use of nonstandard labor that gives priority to cost reduction. Number two, is that the direction of consensus between labor and management on the appropriate compensation for work, including for regular employees, will lead to greater interest in the non ad hoc utilization of non-standard employment (in other words strategic use).

#### **4 Results of Case Analysis**

In section three I gave a simple general outline of directions in policy response to part-time labor in Japan, but what is important of the issues that should be investigated, is a clarification of the reasons for the separation between the direction of policy response, and the actual situation. But in order to do this, it would also appear necessary to begin with an explanation of the most basic question as to why companies utilize several types of employment in the first place.

Table 1 Main Results of the Case Analysis

Diagram 1 is a table compiled from a case study survey of companies’ responses to the following points: (i) What are the reasons are for utilizing several employment types; (ii) whether utilization of these employment types is systematic or ad hoc; (iii) whether

or not a tendency towards reduced regular employees and increased non-standard employees was seen; and iv) the existence of part-time workers doing the same work as regular employees, and if so, the level of clarity in employment management classification, and whether it is possible to convert from non-standard to regular employee. (See, Atsushi Sato, 2003 for details).

#### (1) Reasons for Utilizing Several Types of Employment

As is clear from diagram 1, all the companies used non-standard employment other than regular employees. Why would companies utilize several types of employment? Simply speaking, the answers to this question can be considered to be (a) a response to fluctuations in labor demand, and (b) curbing labor costs. Each company showed roughly the same trends on these points. Now if we remove the difference in details of the case studies and sort through the management's logic, then it becomes as follows: there emerges a business demand of 'wanting to have work done within a fixed budget based on the premise of securing a specific profit'. Awareness of 'securing a specific profit' is a duty of the employer from which they cannot be free. Thus, the selection of employment types occurs largely from the following three conditions: (i) a. The difficulty of the work (for example whether it can be mastered quickly or not), and b. the fluctuation margin and continuity of the work (in other words range of fluctuations in demand and outlook); (ii) whether or not the wage standards, that is payments for labor, will fall within the assumed budgetary framework based on securing a fixed profit; and (iii) whether or not the person who can do the work can be supplied. If the reply to (i) a. is 'easy', the fluctuation margin for b. is great, continuity is unfavorable, and (iii) someone to do the work can soon be provided, then a non-regular type of employment will probably be chosen as one that can easily fulfill the demands of (ii). Still, there are also variations in (i) b; a) in the case of fluctuations within a range such that labor demand does not become zero within a fixed time span (for example during holiday periods and public holidays when there are lots of customers), b) there are no fluctuations within a fixed time span (such as contracts for building maintenance) but when the contract finishes the work completely disappears (the demand for labor becomes zero); c) when there is no certain knowledge of the outcome of the work (for example when the prospects of a new business are uncertain but for the moment it keeps going). According to the case studies analysis, a tendency was observed for a) to

respond with a shift system of short-time part-time workers, very much like casual workers, while b) and c) tended to respond with temporary regular company employees and fixed-term contract employees.

Now to turn our attention to the question of why regular employees are necessary. That necessity can be considered to be heightened when the work of (i) is difficult (which explains why long-term fostering of company insiders is suitable), and when the fluctuation margin for (ii) also has a stable and lasting component that occurs constantly and is too much for non-regular employees alone to handle. The content of (i) is diverse, a typical example being management; 'the work of people who know not only specialty products and shops, but also the whole picture of the environment' can be given as a concrete example of this. The strong restraints on regular employees can be thought of as deriving from these demands when the employment management responds to such a situation, and there are requests for transfers to other branches, or demands for providing more assistance including overtime.

## (2) Whether or not the Use of Multiple Employment Types is Systematic

One important point raised by research on labor flexibility in Europe and America, is the issue of whether using multiple employment types is (a), strategic and planned, or (b), an ad hoc and opportunist response. This point is difficult to assess, but if we focus attention on (i) whether rules concerning employment management of nonstandard labor have been institutionalized or not (if they have, then it is [a]), and (ii) whether or not there is policy on the systematic training of non-standard labor (if there is, then [a]).

First, companies A and B can be given as examples of (a). Both companies A and B have institutionalized employment management of non-standard employees, and B also has rules regarding their training and conversion to regular employee status.<sup>5)</sup> Since the business state of both companies is good and they are in a position of being able to have a future business vision, it suggests that good business results and possibilities of future prospects, have a great influence on policy regarding the use of multiple employment patterns and establishment of rules for employment management and classification. Of course good business results alone do not necessarily bring about personnel planning and institution of rules for classification in employment management, but it can be conjectured that when establishing rules, favorable results and a good outlook can become a great inducement for their institutionalization.



Conversely, in cases where business outlook is difficult to predict, it emerges that employment management of non-standard labor is clearly not institutionalized, and policies for systematic training are difficult to put together (company D, for example). Since it is difficult for companies whose results are slumping, to put together the main business vision which precedes planning and strategy on the use of non-standard employment, it is difficult to form long-term policy on training in the first place, thus any use of non-standard employment is always from a short-term perspective. This strongly suggests that the result is situation (b), where there is no choice but for an ad hoc and opportunist response (with the aim of curbing labor costs).

Second, if we also consider that even companies which fit (a) have fluctuations in labor demand, it also suggests that large fluctuations in labor themselves, are not something that prevent the institutionalization of rules on systematic use and employment management.

Third, company scale can also be indicated as one factor blocking systematic use. Many of the case study companies that fit (b) are, in addition to having poor business results, small and mid-size companies with few employees. The fact of being small-scale itself could be considered as making scarce the incentives and necessity for making systematic and institutionalized rules.

### (3) Whether There Exists a Tendency Towards Reduced Regular Labor and Increased Non-Regular Labor

The tendency towards substitution – that is regular labor decreases when non-regular labor increases - has already been indicated by statistics, but what is the situation on this point amongst the case study companies? The following three points can be understood from fluctuations in regular and non-regular employment over recent years.

First, is that (a) cases certainly do exist of regular labor decreasing and non-regular labor increasing, (such as companies B, C and F), however, (b) from the perspective of business volume and work scope of non-regular labor, these three companies are not uniform. In the case of company B, in spite of the fact that business performance is excellent and business volume is not declining, the fact that this tendency is seen suggests that the work which was once undertaken by regular employees (such as store management and operations) is now under the charge of non-regular employees.

Company C can also be regarded as roughly the same, although its business performance is not as good as B's. Use of non-regular labor is increasing in Company F, as a response to the needs of fluctuating labor demand and cost reduction, since business volume is not increasing and performance is slumping.

Second, is (b), a case of both excellent performance and increased business volume, and an increase in both regular and non-regular labor (company A).

Third, is when labor demand fluctuates, business performance is poor and the labor demand cannot be calculated, there are cases where (c) regular employees decrease or stay constant and non-regular employees numbers are fixed (companies D and E), or (d) regular employees stay constant and non-regular ones decrease (company G).

#### (4) Clarity of Employment Management Classifications and Possibility of Conversion

Looking at the case studies it is possible to order them from 3 perspectives: (a) whether or not non-regular employers are seen as doing the same work as regular employees; (b) whether or not standard company employee status is clearly distinguished from non-standard in employment management classifications; and (c), whether or not conversion from non-regular to regular employee status is possible or not. To further explain (b); in the case that there are written rules on the length of working hours and the possibility of transfers – for example standard employees may be transferred long-term but part-timers work short-time and so may not be transferred – this can be regarded as being classified. However, when there are no such clear rules, and a situation exists where part-timers may work long hours, or there is no transfer for standard employees, then it can be regarded as ambiguous.

If we group the case studies generally according to (a), (b) or (c), then it will look like this. Starting first with (a) whether or not there are part-time workers doing the same work as regular employees, company A clearly has none. This case fits (b), a clearly institutionalized system of rules of managing multiple employment, and also (c) the possibility to convert exists in the system.

Firms	(a)	(b)	(c)
Firm B	Yes	Clear	System allows the possibility
Firm C	Yes	Clear	Possible in reality
Firm F	Yes	Ambiguous	Possible in reality
Firm D	Yes	Ambiguous	Not possible
Firm E (some in Firm G)	Yes	Clear	Not possible
Firm A (some in Firm G)	No	Clear	System allows the possibility

(a) Existence of non- regular staff doing the same work as regular staff

(b) Clarity of distinction

(c) Possibility of conversion

The remaining 6 companies differ in various degrees and have non-regular employees doing the same work as regular employees. However, examined from the viewpoint of (b) and (c), there are some differences. Companies B and C fit the (b) case of employment management rules being clearly classified, in the sense that there are clear distinctions as to whether or not transfer exists and on the length of working hours. Company E fits the case in the sense that part-timers work short-time. Of these companies, B and C fit (c), having the possibility of conversion, while company E does not.

Companies D and F fit the (b) case, that is the rules for employment management are not clear, in the sense that there are part-timers who work long hours and standard company employees who do not have transfers, but as far as (c) goes, in company F it is possible in reality to convert employment status whereas in company D it is not possible.

Furthermore, in the case of company G, the answer for (a) is divided as there are regular employees assigned permanent duties for a hourly payment, in which case it is 'yes', but there are also regular employees in the head office receiving a monthly salary, in which case the answer is 'No'.

## **5 Summary and Issues – Causes of Deviation from Policy Direction**

Comparing the policy direction on part-time labor with case study research, it can be seen that there are (a), cases which accord with policy (companies A,B and C), (b) cases that have deviated from policy (companies D, E and G), and (c) cases in between which are ambiguous (for example company F, where employment management classifications are not clear but conversion is possible).

Of those in (a), it is possible to convert employee status in company A, besides part-time workers' duties and regular employees' duties are clearly distinguished, as are employment management classifications. In companies B and C, it is possible to convert employee status, therefore on these points it is possible to regard them as being in accordance with policy. Given this, (b) seems to be a 'deviation' case in some sense.

If we look at cases of deviation, and try to identify factors which bring about this, then the following are probably important.

First, generally speaking, is when business prospects are gloomy (such as with companies D and F). Second is when work does not occur continuously (in company D for example). Third is when reliance on contracts with customers and so forth make it difficult to estimate in advance what volume of work can be secured (such as company G). And fourth, is when there is a lack of management judgment, such as capability of raising profits on their own accounts (company E).

All of the above factors deeply affect the way in which a business develops, such as business performance and autonomy of the management, and there is a need to collect more data and analyze these in future. In any event, for the sake of progress in policy on part-time labor, it could be said that furthering research on these is the challenge.

Endnotes:

1) See below for trends in regular and non-regular employees (Ministry of Public Management Home Affairs Posts and Telecommunications, *Special Survey on Labor Force*. Part-time and casual workers are classified according to the title used in their workplace. Units of 10,000 people.)

	1996	1999	2001
Total no. of employers	4843	4913	4999
Regular employees	3800	3688	3640
Part-time and casual	870	1024	1152
Temporary employees and other	104	201	163

2) The final report of this research group on part-time labor (led by Dr **Hiroki Sato**, Professor, Tokyo University, and of which the author is a member) has been put together by the MHLW Equal Employment, Child and Families Bureau as *Paato Rodo no Kadai to Taiou no Hokosei* (Responses and Directions to the Challenges of Part-Time Labor) (July 2007). Currently it is being discussed by the Council on Labor Policy's subcommittee on equal opportunity employment.

3) For example, a comparison of the fixed hourly wage for women general workers and women part-time workers shows that it was ¥934 for general and ¥622 for part-time workers (70.9 on an index of general=100) in 1989, but in 2001 showed a tendency toward a widening gap with ¥1340 for general and ¥890 for part-time workers (general = 66.4 on an index of 100).

4) For example, in the JIL *Survey on the Use of Diverse Employment in the Workplace*, (1999) the proportion of part-time workers who 'are dissatisfied at the wage disparity with regular employees', was 17.2% for those who had worked continuously for less than one year, but increased steeply to 42.4% for those who had worked continuously for 10 to 19 years.

5) Some further information on company B, a major retailer, regarding this point.

(i) Ratio of sales to labor costs and proportion of part-time workers

Company B is a supermarket food retailer with around 2000 employees and has slightly less than 100 stores (as of 2002). In addition to 510 regular company employees, it has approximately 1500 F employees when counted 8 working hours as one employee (In other words, part-time workers. There are also employees reemployed after retirement,

but these are a small proportion), who are mainly engaged in sales work in the stores. Looking at shifts in the sales proceeds (working profit) and employee numbers (brackets indicate the number of F employees), sales volume increased smoothly from 44.3 billion yen (856 million) in 1998, to 46.8 billion (1270 million) in 1999, and 50.8 billion (1284 million) in 2000. Employee numbers, however, were 478 (956) in 1998, 483 (1144) in 1999, and 455 (1278) in 2000, showing a trend toward a continual decrease in the number of regular employees and large increase in the number of part-time workers. This shows that company B is consequently succeeding in checking labor costs while raising business profit.

The result of using such part-time employees in this way, was that the ratio of sales volume to labor costs for Company B in the 2002 February period, reached 10.9%. Looking at the relationship between shifts in (i) the ratio of sales volume to labor cost, and (ii) the ratio of part-time workers in the stores, in the 1999 February period when the ratio of part-time workers was at a lower level than present, (i) was 11.3% and (ii) was 70.8%, and labor costs also constituted a higher proportion of sales volume. However, in the 2002 February period (i) was 10.9% and (ii) was 74.5%, and for the same period in 2001 (i) was 10.7% and (ii) was 78.0%, further becoming 10.6% for (i) and 81.7% for (ii) in 2002, with the high ratio of part-time workers and low labor cost to sales volume relationship becoming even more distinct.

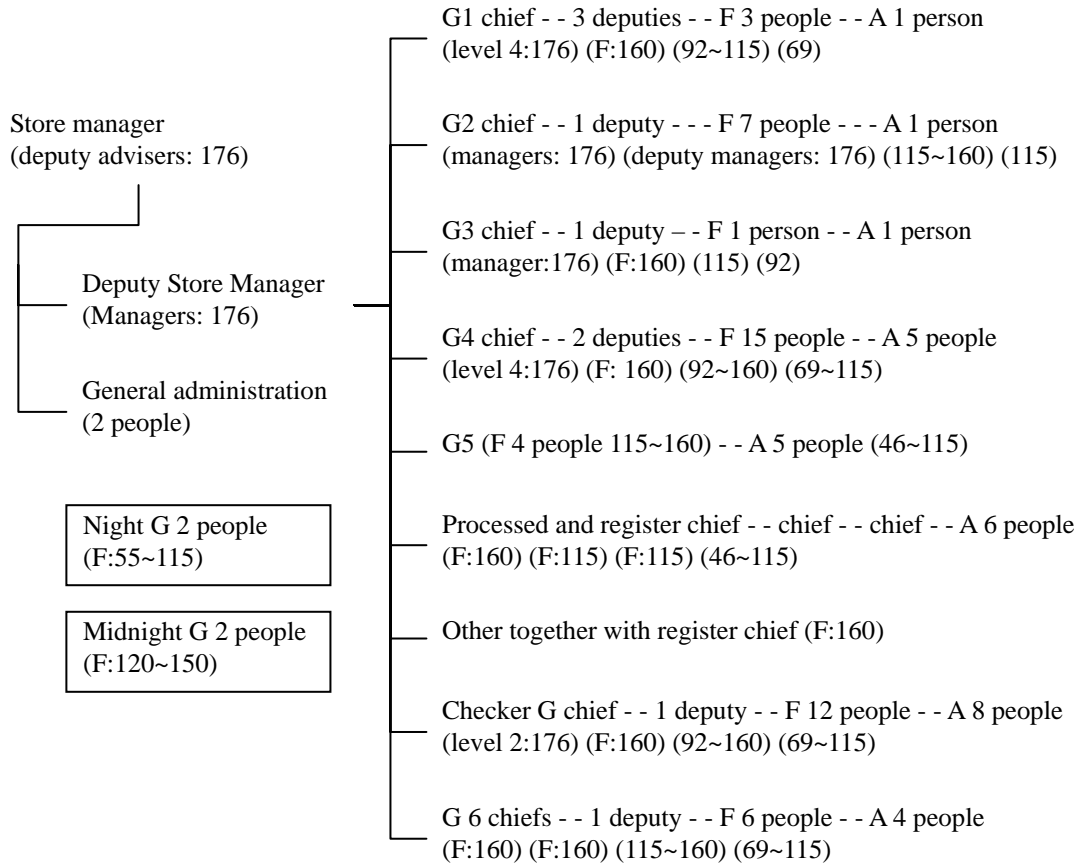
(ii) High level use of part-time labor at stores

What kind of work are part-time employees engaged in and is this extensive utilization of such labor proceeding at company B? In order to clarify this point, a knowledge of store organization and personnel distribution is necessary. Diagram 1 maps out the organization of Store I and the distribution of its personnel.

From the structure of this workplace and distribution of personnel, the following can be noted. To begin with, there is a store head, responsible for the store operation. This person attends to everything, starting with daily sales activity and labor management. A deputy adviser regular employee, in terms of the company B's system of qualifications and employment, is assigned to store I. Without going into great detail on company B's qualification and employment system, promotion through the ranks up to deputy adviser goes in the order of regular employee level 1 → level 2 → level 3 →

level 4 → deputy manager → manager → deputy adviser → executive level. Deputy adviser is the highest level of management within this structure, having the competence to ‘be a problem solving specialist and able to develop human resources’. Job titles that correspond to this are ‘chiefs and managers of mid-size and large-size stores’. Below the store manager is the deputy manager who assists the manager, and below this person are 7 to 9 people largely in charge of different product groups (e.g. fruit and vegetable, seafood, meat, etc.), and so-called checkers who provide customer services (who may also serve at the register).

Diagram 2 Store Organization and Distribution of Personnel at Company B's Store I



Notes:

(1) Parentheses indicate company B's occupational grading level in the case of regular employees, F means flex employees, A means *arabaito* (casual). Numbers indicate the monthly working hours.

(2) This material has been adjusted for the sake of simplicity. Materials produced by Atsushi Sato (2003, p.36).

Second, is that there is a chief and a deputy in each group who fills the leadership role for that group's sales activities. Flex employees account for 5 out of 10 chiefs, and 6 out of 9 deputies.

Third, is that working hours are a uniform 176 hours for regular employees, but vary in length from 92 to 160 for flex employees, and are a short 69 to 115 hours for



casual workers. Working hours and distribution of personnel are set flexibly to respond to fluctuations in sales.

Fourth, is that the night and midnight groups formed in order to deal with night (7:00p.m. to 12 midnight) and late-night (12 midnight to 9:00a.m.) work, each contain F employees.

Looking at the personnel structure in this case study of Company B's Store I, while the duties of the part-time flex employees do not extend to store manager, they do reach the leadership position of sales floor, and are utilized at a high level. It can also be seen that flexibility is secured to respond to fluctuations in the store business with the flexible distribution of short-time flex employees and casual workers. Such use of part-time labor for high level duties is in a minority, but is in the process of progressing to store manager level, and as a result a structure is being established that will enable regular employees to concentrate on higher level work, such as opening up new stores.

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