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Changing Japanese Management? A Discussion of the Development of Work-Life Balance in Japan¹

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1 This article is a revised version of Kambayashi (2013).

1. Introduction

Many Japanese companies were obliged to reform various aspects of their management system after the “economic bubble” burst of the 1990s. This led to a drastic change in various management aspects related to the market, technology, and the social system. These companies made strenuous efforts to adapt to these changes in the business environment. Several keywords such as corporate governance reform, rampant merger and acquisition, new strategic alliance, corporate social responsibility (CSR), results-based personnel management, and reward management, indicate these changes that spread after the 1990s.

However, these new trends seem to have subsided over the past several years, and these companies are gradually entering into a new phase where they need to build new structures in order to cope with the environmental changes. Simultaneously, issues with the newly established systems have been steadily emerging. Currently, Japanese companies are exploring a new long-term vision in order to prepare for the future and consider these issues.

Kambayashi (2013) analyzed Japanese management system focusing on four aspects of corporate management – system, strategy, organization, and personnel management. It regards the aggregation of the new management system in Japanese companies as the Japanese style management system. With emphasis on these four aspects, research was conducted on the basic structure of the Japanese style management system after changes in the market, technology, and society. Further, specific functions of the basic structure of the Japanese style management system were studied including a discussion and analysis on the direction of future changes. As a result, in the fields of organization and human resource management, Japanese companies introduced a mechanism close to the American style. At the same time, however, they preserve the “Japanese style” and attempt to explore a mechanism suitable to Japanese companies.

Reforms of corporate governance were widely discussed in the 1990s in studies on “Japanese management.” It is the author’s basic understanding that the discussions have made little progress since Americanization became apparent in governance and the management system. There have also been few studies conducted on the internal aspects of an organization that practices traditional Japanese management theory from an academic viewpoint.

Over the past several years, as Japan has experienced the rapid expansion of globalization and the full-scale arrival of an aging society with a declining birthrate, the country has also seen an increase in efforts by government, workers, and employers to promote and enhance “work-life balance”. For example, at the government level, the “Expert

Panel on the Declining Birthrate and Gender Equality” (October 2004–February 2007), established under the auspices of the Cabinet Council for Gender Equality, showed the importance of re-evaluating the way people work and supporting work-home balance as a measure for countering the declining birthrate and furthering gender equality. Based on these results, the “Expert Panel on Harmony between Work and Life (Work-Life Balance)” was newly established in February 2007 and has been examining the meaning and importance of work-life balance as well as the direction of efforts in this area. In December of the same year, the “Work-Life Balance Charter” and “Action Guidelines for Promoting Work-Life Balance” were formulated by the Cabinet Office as important policy measures for enhancing work-life balance.

The Work-Life Balance Commission (June 2007–July 2008) conducted jointly by the Kansai Employers’ Association and Japanese Trade Union Confederation Osaka, and in which the author was involved, also carried out hearings of four Osaka-based companies—Company A (manufacturer), Company B (manufacturer), Company C (manufacturer), and Company D (information and telecommunications)—that have been proactively promoting work-life balance. This paper summarizes case examples of the work-life balance efforts by the four companies, based on the hearing surveys, and considers methods for realizing a “Japanese work-life balanced society” as well as future directions and issues for such efforts.

First, Section 2 summarizes the results and main points from the hearings with the four Osaka-based companies into four categories: (1) Definition and interpretation of the concept of work-life; (2) Motivation for and processes leading to efforts to enhance work-life balance; (3) Concrete efforts to promote work-life balance; and (4) Outcome of efforts. Based on the results presented in Section 2, Sections 3 and 4 examine concrete measures for realizing a “Japanese work-life balanced society” as well as the direction of the development of individuals, businesses, and society in Japan.

2. Case Examples of Efforts to Promote Work-Life Balance and Characteristics of these Efforts

This section presents the following four points summarizing the information obtained from the hearing surveys with four Osaka-based companies:

- (1) Each company’s definition and interpretation of the concept of work-life: For example, are work-life balance efforts targeted at all employees, or do they focus on women? How is the relationship between efforts to enhance work-life balance and improvements in performance (earnings) viewed?

- (2) When and why (due to what motivation) were efforts to improve work-life balance introduced, and what process was involved?
- (3) What kinds of systems or mechanisms have been introduced as concrete efforts to promote work-life balance? What departments (such as the Human Resources Department) undertake concrete efforts to promote work-life balance, and what kinds of measures are being taken?
- (4) Outcome of efforts: What results were achieved by the concrete efforts in (3)? Were there any impediments to this process or any problems that arose? What points does the company regard as being issues for the future?

Table 1 Case Examples of Efforts by Companies to Promote Work-life Balance (WLB)

	Company A (Manufacturer)	Company B (Manufacturer)
Interpretation of WLB	<ul style="list-style-type: none"> • <u>WLB that responds to the needs of management, society, and individuals</u> Company A's thinking is to support WLB for a diverse range of human resources while responding to three needs of management, society, and individuals: (1) management's need to utilize a diversity of human resources; (2) individuals' need to realize a way of working that is in balance with their personal lives; and (3) society's need, as the birthrate continues to decline, to promote an environment that makes it easier to bear and raise children. • <u>Action aimed for by the labor union as leverage against the company:</u> Establish the personal identity of each individual worker by improving and enhancing the balance between their personal lives and social lives. 	<ul style="list-style-type: none"> • <u>WLB linked to a performance-based system</u> Company B has a performance-based way of thinking according to which individuals gain a sense of their own growth and purpose as they work. The company is undertaking WLB measures that lead to a diversity of work styles aimed at the self-realization of individual workers. To ensure that all workers can work enthusiastically, the company aims to create a workplace in which employees can work in a range of working styles and with a sense of security. This way of thinking respects individuals' autonomy and independence, and aims at self-realization through work and continuous engagement with work for the medium-to-long term. Here, WLB is linked to a performance-based system in which individuals' approach their work with a sense of purpose in their life and work generates even higher results.

These four points are summarized in Table 1.

As Table 1 shows, each company interprets the phrase “work-life balance” differently, positions work-life balance efforts differently, and uses different approaches and methods to realize work-life balance and achieve a diverse range of results. In the future, efforts to achieve and improve work-life balance can be expected to take various directions. The information provided here is deliberately simplified to summarize this overview while compactly showing common items and characteristic trends.

Company C (Manufacturer)	Company D (Information and Telecommunications)
<ul style="list-style-type: none"> ● <u>WLB aimed at utilizing a diversity of human resources</u> <p>Company C views the main factors in business growth and expansion to be (1) acceleration of business globalization; (2) differentiation/development of technological products; and (3) implementation of management centered on people. The company relies on the belief that the results of synthesizing the skills of diverse human resources will differentiate the company from its competitors, achieving a competitive advantage that raises the company's unique corporate value. Regardless of age, gender, nationality, or whether or not they have disabilities, the company values and emphasizes the differences in the characteristics and skills of individual workers. The company uses WLB as a mechanism for supporting the working styles of a diversity of human resources, and all individual workers are actors, regardless of their age, gender, or nationality.</p>	<ul style="list-style-type: none"> ● <u>WLB making work and life indivisible</u> <p>Company D emphasizes that work is a part of everyday life, and that it is impossible to draw a line between work and life. This attitude is based on the belief that, not only does “work” mean to live and work at a company, but also includes child-raising, housework, and undertaking social contribution activities. An important concept is that work is indivisible from everyday life, that it is an important part of life, and that individuals should be 100% committed to all of their activities, whether they are work or life activities.</p>

	Company A (Manufacturer)	Company B (Manufacturer)
History of WLB Efforts	<p>Following the revision of the Equal Employment Act in April 1998 (enforced in relation to motherhood protection), the company undertook positive action. The five main points in the history of these efforts were (1) Compliance with the Equal Employment Act (1998-), (2) Changing awareness/corporate climate (2001-), (3) Compliance with the Act for Measures to Support the Development of the Next Generation (2003-), (4) Improvement of the employment environment (e-Work, etc.), and (5) Labor movement.</p>	<p>The company focused on reorganizing human resources between 2000 and 2005 (efforts centered on system changes: performance-based evaluation and treatment) and between 2006 and 2007 (efforts centered on human resource training). In particular, since 2006, the company has been implementing WLB measures targeting all employees and aimed at “harmony with society”. Points include countermeasures against long working hours and the promotion of mental health care.</p>
Concrete Efforts Related to WLB	<ul style="list-style-type: none"> • Compliance with the Equal Opportunity Act (childcare leave, nursing care leave, child-plan leave, family support leave, work and life support duties) • Changing awareness/corporate climate • Compliance with the Act for Measures to Support the Development of the Next Generation (“First Action Plan” in 2005; “Second Action Plan” in 2007) • Improvement of the employment environment (establishment of an E-Work Promotion Office) • Labor movement 	<ul style="list-style-type: none"> • Choosing lifestyle/work style: career track selection system; change-of-track support system; re-employment system for workers aged 60 years • “<i>Kirameki</i> (Sparkling) Life Promotion Office” (2007): supporting a place where women can play an active role within business activities (childcare support system, etc.) • Career plan training: providing opportunities for individual employees to consider their own careers and life plans • Mental health measures • Countermeasures against long working hours

Company C (Manufacturer)	Company D (Information and Telecommunications)
<p>In 1992, the company introduced a childcare leave/childrearing work system. In 2001, in addition to abolishing the distinction between main career track and general employees, the company created a plan for positive action from four angles: “equal opportunity”, “reforming awareness”, “securing human resources”, and “support for balance”. The company promotes an environment in which each employee, regardless of gender, can fully display their skills. Since 2003, the company has been actively improving both hard (system) and soft aspects of WLB.</p>	<p>Of the company’s 117 employees, women comprise a high percentage in each division: Strategic Planning Division (20%), Technology Marketing Development Division (30%), and Business Planning Division (40%). The company is aware of the limitations of seeking a balance between work and childrearing/housework through the independent efforts of women alone. Therefore, they are concentrating on creating a system that supports work-life balance for all employees as well as the development of a suitable workplace for women.</p>
<ul style="list-style-type: none"> ● Efforts to eliminate long working hours ● Efforts based on an awareness of “work restructuring” ● Establishment of flexible work schedules ● Promotion of planned paid leave ● Improvement of measures to support work-childrearing balance ● Establishment of a “Website to Support Work-Childrearing Balance”: workers taking childcare leave are provided with information about the company’s activities and the workplace during their leave of absence to support their smooth return to the workplace. Efforts to raise awareness amongst supervisors are also implemented. ● Action plans are implemented in accordance with the Act for Measures to Support the Development of the Next Generation 	<ul style="list-style-type: none"> ● Shorter working hour systems in addition to legally prescribed systems ● Half-day paid holiday system ● Earlier/later times for starting/finishing work ● Re-employment system ● Hiring of workers seeking re-employment ● Equality of work duties/division areas ● Proactive gender equality education and training; guaranteed advancement ● Career path system based on individuals’ skills, regardless of gender ● Compulsory creation of opportunities for worker exchange during working hours (once per month)

	Company A (Manufacturer)	Company B (Manufacturer)
Outcome of Efforts	<ul style="list-style-type: none"> Quantitative aspects: Although the company has been improving numerous supportive measures for work-life balance, they are conscious of problems related to employees' awareness and use of the system, the workplace environment, and corporate climate due to an insufficient understanding of the system. Qualitative aspects and diversity viewpoint: Through promotion of the e-Work@home Project, it has become possible for workers to work from home using information technology (IT). This is an experiment in reducing constraints on where work is performed, and expanding and enhancing the selection of working styles. 	<ul style="list-style-type: none"> Quantitative aspects: Surveying and analysis of working hours through work-hour management. Qualitative aspects: As part of career plan training, each age-group is set a theme and provided with opportunities to consider their future life plans and career plans. Employees participate actively, achieving communication beyond the bounds of divisions and occupations. The effectiveness of these efforts as a forum for exchange is acknowledged. Diversity viewpoint: Measures aimed at "creating a workplace in which a diversity of working styles is possible and people can work with a sense of security" are contributing to a decrease in employee turnover and an increase in the securement of human resources.
(1) Quantitative aspects (shortening of work hours, etc.)		
(2) Qualitative aspects (enhancing work content, etc.)		
(3) Diversity viewpoint		

Note: "Work-life balance" has been abbreviated to "WLB". The hearing with Company A was conducted with labor union representatives; the hearings with Companies B, C, and D were conducted with management representatives.

Source: Osaka Workers and Employers Council (2008), partially changed from the table on page 3.

2.1 Definition of the Concept of Work-Life Balance²

All four companies paid attention to aiming their work-life balance measures at all employees, regardless of gender. In particular, during the initial introduction stage, many companies interpreted "work-life balance measures" as prescribed systems that include making it easier for women to work. For example, these systems included the realization of gender equality and support for balance between work and motherhood protection/childrearing. It can be said that in the past several years, the characteristic trend for these measures, which mainly targeted women, were developments that attempted to include all employee groups.

² This paper does not include consideration of work-life balance concepts or definitions of the detailed content or possible related problems of work-life balance measures that are being discussed in the academic world. The author hopes to consider these issues at a later date.

Company C (Manufacturer)	Company D (Information and Telecommunications)
<ul style="list-style-type: none"> • Quantitative aspects: In an effort to eliminate long working hours, the company monitors the working-hour situation uniformly for the entire company. • Qualitative aspects: In addition to efforts to eliminate long working hours, the company has increased work efficiency due to work restructuring. • Diversity viewpoint: As a supportive measure for work-life balance, the company not only provides hard (system) support, but also soft support for system users, enabling a smooth return for employees on leave. This has also led to improvements in supervisors' understanding of work-life balance and in the workplace in general. 	<ul style="list-style-type: none"> • Quantitative aspects: For each measure implemented, there is a history of workers having used these measures and an observed improvement in employees' awareness and understanding of WLB measures. • Qualitative aspects and diversity viewpoint: Opportunities for exchange between employees within working hours and after work in "After-six Seminars" have been established, with employees creating time to come to know each other's individual backgrounds and deepen mutual understanding. This has contributed to the creation of a workplace environment/climate in which it is easier to work and a decrease in the employee turnover rate.

2.2 Content of Concrete Efforts

With respect to system-related measures, all four companies made proactive efforts to formulate or revise childcare/nursing care leave systems. Furthermore, the companies implemented concrete efforts aimed at shortening working hours, such as improving discretionary work and other flexible work systems or bringing forward times for leaving work. There were also companies that proactively introduced and established telecommuting systems (tele-work), companies that undertook work-life balance measures in coordination with various performance-based human resource systems, and companies that emphasized the mental health aspects of employee care. A diverse variety and range of measures were observed to be implemented in accordance with the circumstances of each individual company. Moreover, the companies not only reformed their systems, but also made an effort to increase the level of employee awareness.

2.3 Relationship between Work-Life Balance and Work Performance

There is no data expressly linking work-life balance measures with improvements in performance or profitability for any of the four companies in terms of business operators' and human resource managers' awareness and feeling. However, it can be seen that the companies share the view that, over a medium-to-long-term time span of at least four to five years, more skilled human resources have become established within the business as the result of work-life measures, ultimately leading to high performance results. The costs of introducing work-life measures impact income and expenditure for that year, but companies are aware that, afterwards, performance will gradually improve over several years. Linking this to the shape of the letter "J", this phenomenon is known as the "Work-life Balance J-curve Effect".

A report by the Osaka Prefectural Industrial Labor Policy Promotion Council (2007) states that, because of the nature of Osaka people to "focus on money", especially within small- and medium-sized businesses, evidence to prove that promoting "work-life balance" does indeed lead to improvements in performance and profits is needed. Therefore, this point suggests that viewing work-life balance from a medium-to-long-term perspective of at least four to five years is important when discussing the monetary aspects of work-life balance measures.

2.4 Issues for the Future

Since introducing work-life measures, each company has found that awareness amongst their employees about the concept of work-life balance has gradually increased. However, large-scale companies are conscious that the issue of how to best incorporate work-life balance measures into daily work practices needs to be addressed. By mainly bringing to the improvements related to creating an environment in which it is easy to work, work-life balance measures tend to make light of work and working styles themselves. In particular, overcoming the problem of long working hours is closely related to changing the everyday working styles of employees, and all companies recognized the need to consciously carry out work restructuring in conjunction with work-life balance measures. However, when the companies were asked whether or not they were in fact carrying out work restructuring, the majority responded that they had not yet done so in a concrete manner.

3. Towards the Realization of a “Japanese Work-Life Balanced Society”

Recently, work-life balance theory has gained prominence in Japan. However, discussions examining various policies and measures concerning the enhancement of work-life balance in Japan, rather than carefully considering the context of Japan, have tended to copy and conform to those being carried out in Western countries.

Very simply put, the major premise of discussions of work-life balance in Western countries are underlain by the semantics of the phrase “work-life balance” itself; that is, the concept of “creating balance between two intrinsically different aspects of life, “working life” (“work”) and “life outside of work” (“life”) and designing a more desirable lifestyle for humans”. The typical Western “logical” way of thinking (a dominant style or form of thinking observed in a particular culture or civilization) is that “working life” and “life outside of work” are intrinsically different. Here, “work” is viewed as “labor (drudgery)”, involving pain and difficulty, while “life outside of work” is “enjoyment and happiness”. According to this concept, the former should be as short as possible and carried out in moderation, while ample time should be taken for the latter so that life can be enjoyed. The point here is that, according to Western thinking, “working life” and “life outside of work” are intrinsically different and the concept of “work-life balance” is underlain by the implicit premise that “working life” and “life outside of work” can be separated completely into two. Mechanisms premised on this Western way of thinking differ in history, culture, and traditions. Accordingly, when introducing ways of thinking that differ from Japanese thinking, a certain amount of care is necessary.

Methods that aim to create balance between “working life” and “life outside of work” also needs to be careful to stop at the so-called “quantitative aspects”, such as shortening work hours and increasing leisure time, which cannot be said to rise particularly high expandability of discussions aimed at the future. This is because work-life balance discussions that focus on only quantitative aspects ignore the content of the working life that has been shortened, and poses the risk of possibly harming the “multi-capacity”, “intellectual dexterity”, organizational skills, and cooperative skills that Japanese workers have developed, and of which Japan can boast to the world. Unless discussions of work-life balance do not take the view that shorter working hours means there is no need to question the content of working life, and so the existence of “labor (drudgery)” and “pain (difficulty)” are acceptable, but rather that work is fundamentally an enjoyable activity in which one can

experience joy, the discussion will be putting the cart before the horse. Innovations to make working life enjoyable needs to be considered based on a principle of sharing under which all labor is shared by all members of society, overcoming the conventional thinking, “division of labor by gender”, which previously dominated Japan.

Recent discussions of work-life balance are beginning to acknowledge the basic concept of “making work as enjoyable as life”. By reinterpreting work-life balance from the viewpoint of diversity in the interpretation of “balance”, we will reconsider methods for realizing “Japanese work-life balance” through the following three steps.

3.1 Step 1: Reducing Meaningless Overtime and Excessive Labor

First, Step 1 is to further advance efforts towards shortening working hours and increasing the number of workers taking paid annual leave, which in reality is already being pursued. Efforts in Step 1, work restructuring to reduce meaningless overtime, and the attempt to enhance work efficiency are two sides of the same coin. As mentioned above, companies are already undertaking efforts towards shortening working hours and increasing the number of workers taking paid annual leave, but not necessarily in conjunction with improving work processes and how work is carried out. Accordingly, it is essential that these issues be reinterpreted in relation to improvements in how everyday work duties and business are carried out.

Furthermore, an important point that must be considered in Step 1 is that both labor and management must make an effort to decrease meaningless overtime and excess labor as much as possible and increase time for life (such as free time for individuals; life at home, including interaction with family; social life, including active exchange within the community; and time spent by individuals on advancing their skills). For example, introducing a system of shorter working hours for full-time employees is a work style that could be the key to realizing work-life balance in Step 1. In addition, it is important that companies be more aware of increasing the number of days on which workers finish work and leave early, rather than sluggishly continuing with work late into the night. When an employee’s working life is completely devoted to work in the workplace, it inevitably follows that work performed in the home, such as housework and other work necessary for living a human lifestyle, is left up to housewives (or husbands) who are not engaged in “labor” in the form of company work duties. It goes without saying that, with regard to aspects of life such as housework, childrearing, and community life, work-life balance also needs to be considered from the perspective of everyone—both people working in

companies and those not—dividing and sharing labor, and participating in these activities. This concept of sharing is the basic spirit and main pillar supporting the implementation of Step 1.

3.2 Step 2: Consideration of Methods for Enhancing Work Content

In contrast to the work-life balance measures focusing on “quantitative aspects” such as shortening working hours and Step 1 of workers to take paid annual leave Step 2 comprises work-balance measures that focus on “qualitative aspects”. That is to say, instead of being based on the major premise of Western society in which “working life” and “life outside of work” can be completely separated, work-balance measures need to examine work processes in the workplace to see whether elements of “life outside work” that imply happiness or enjoyment in some form can be incorporated into “working life”, which tends to be viewed as “laborious”, “painful”, or “difficult”. Step 2 is a step that should be pursued after sufficient efforts by both labor and management have been made to “correct excess labor” and increase time for life, as pursued in Step 1.

In the past, when the strength of Japanese management practices were much-touted, flexible and unspecific work structuring and duty allocation—rather than completely fixed allocation of individual duties to individual workers—were carried out, enabling workers to acquire a diverse range of skills. This was regarded as the source of Japan’s management strength, and in actuality, it was on this point that the competitive superiority of Japanese management was able to exist. The working style mechanisms utilized by Japanese companies, which does not pursue efficiency in a narrow sense for individual work units—appeared ambiguous at a glance and even “inefficient” and “illogical” at times (from a Western perspective)—drew the attention of the world as “the secret to Japanese management”. Amidst the prolonged Heisei Era economic downturn, as the performance of Japanese businesses declined, there has been a trend towards fickle Western companies discontinuing Japanese practices because “Japanese management practices are no good after all; they are nothing more than a relic from the past”. Despite this, the magnificent cooperative mechanisms and organizational strength that has been cultivated over many years is the strength of Japanese businesses, and is not something that can be easily lost. In discussing work-life balance, too, there is surely a need to again give serious thought to the differences in the origins of Western and Japanese philosophy and thinking. The Japanese way of doing business includes methods that do not strictly pursue a doctrine of division of labor, such as changing, expanding and enhancing work duties, working in teams, and unique

working styles in which workers engage in work tasks while thinking independently. The reason why Japanese management attracted so much attention in the West was that, from an organizational perspective, this was accepted by Western companies as “Japanese wisdom”, so to speak, for generating large profits from a long-term perspective. Looking at Japanese management from a different angle, Japanese businesses have in the past exquisitely incorporated elements of happiness and enjoyment into working life. When one considers things in terms of their “qualitative dimensions” rather than their “quantitative dimensions”, one should also be able to consider these forms as one method of achieving balance. In other words, this is a method for achieving balance between work and life by incorporating elements of happiness and enjoyment into working life without viewing work as “drudgery” and “pain”. Unifying and integrating both “work” and “life”, rather than completely separating the two, is a way of thinking known as “work-life integration”.³

In this context, Company D’s basic attitude to work design, obtained from the hearings, that “working is a part of life; it is difficult to draw a line between work and private life since work is, in other words, a form of play and is synonymous with living”, is extremely interesting. Company D host events called “After Six Seminars” that provide employees with an opportunity to interact with and get to know other employees better, as well as learn what non-work interests and skills they have and are using to enjoy life outside of working hours. Such opportunities give employees a mutual knowledge and awareness of each other’s backgrounds, knowledge that can be very useful for employees in understanding each other’s feelings and perspectives as they perform their work duties. The company is conscious that, rather than dismissing work as a one-off task, view work as the fruit of individual workers’ diligent effort, which they have poured their energy into, and the result is the realization of more personal work, and leads to a lower employee turnover rate.

The way of thinking described in Step has not necessarily been sufficiently considered in work-life balance discussions in the past. Step 2 is an important point in leading discussions concerning the enhancement of work-life balance towards a realization of a truly meaningful society, hence it cannot be overlooked. There are also occupations, such as workers in manufacturing workplaces, for whom it would be difficult to implement Step 2 in its complete form. However, even for such workers, there is a great difference in the

3 With regard to the concept and definition of work-life integration in Western countries, please refer, for example, to the following works: Blyton, Blunsdon, Reed, and Dastmalchian (2006) and Lewis and Cooper (2005).

meaningfulness of labor between carrying out monotonous routine work requiring little thinking and carrying out work based on even a small amount of free thinking and ingenuity. Considering this from a different angle, work based on free thinking and ingenuity means skillfully incorporating “life-like” elements into monotonous, routine work, and with regard to qualitative aspects, means making work more personal and enjoyable.

3.3 Step 3: Revision from the Viewpoint of Diversity

Based on Steps 1 and 2, Step 3 involves envisioning that “ways of creating balance depend on the individual person and range widely” and providing as many menus as possible for promoting “work-life balance” programs from which individuals can choose. The companies that participated in the hearing surveys have already introduced multiple systems aimed at work-life balance and are expanding and enhancing these measures. However, even in large-scale companies, further enhancing, for example, systems of shorter working hours for full-time employees and telecommuting systems, and expanding their sphere of application could be considered more actively.⁴ For workers in jobs in which they are often transferred and whose workplace is not necessarily close to their home, the diffusion of telecommuting systems as well as the values and culture of a society that accepts such work practices are extremely important factors in improving their work-life balance.

Alternatively, depending on the individual person, work-life balance measures that cover workers’ entire lifetimes also need to be considered in the future. For example, these might include work-life balance measures that fulfill the individual wishes of workers, such as “In my 30s I want to work actively, but in my 40s I would like to have more time for childrearing and interacting with my family, and in my 50s I want to go back to working actively”. In the sense that workers can freely design their own lifestyles, thinking and mechanisms that make “lifestyle design” a possibility need to be spread throughout Japanese society.

The point here is that work systems should be designed that allow room for independence and discretion for workers to think and make decisions based on their own situations. In the words of the Osaka Prefectural Industrial Labor Policy Promotion Council (2007) report, thinking that enables workers to decide matters pertaining to them for

4 For a detailed perspective on the potential for the working style of telecommuting systems using information technology to promote work-life balance, see Shimozaki and Kojima (2007).

themselves. To this end, the more menus that workers have to choose from, the better. In other words, it is necessary to reconsider working styles and work systems from the viewpoint of “diversity”. Although a certain amount of short-term costs may be incurred in terms of management, from a long-term standpoint, the introduction of diversity enables outstanding human resources to establish roots in the company and, by extension, can be expected to ultimately increase productivity and profits.

In pursuing these three steps, a point to note is that constant monitoring is required for the situation in which the vast majority of workers want to choose a single working style, even if many options are available. Currently, many companies are providing multiple options of working styles, but in many cases, workers do not necessarily make sufficient use of these options. From the standpoint of management, whichever working style a worker selects, management must not neglect to inform him or her about the merits and demerits of that particular working style with sufficient transparency. Moreover, from the standpoint of workers, there may be a need to consider maintaining an attitude of proactively trying out and utilizing various systems that are provided by the company, rather than taking it as a given the uniform working style that was the natural premise under previous “Japanese management”. In moving towards the realization of “a society in which a diversity of work styles and lifestyles can be selected”, aimed at through improvements in work-life balance, further continuous efforts by both labor and management are needed, as well as a long-term outlook and vision aimed at improving the current situation.

4. Towards the Sustainable Development of Individuals, Businesses, and Society

Recently, Japanese businesses have tended to focus on an excessive degree on trends in Western (especially American) companies as models for human resource system reform. There are many points for which the business management systems of other countries may serve as a useful reference, and there is no problem with Japanese companies intending to introduce such systems in Japan, as long as the intention and potential outcome of that introduction is thoroughly scrutinized beforehand. However, could it be that, as a result of this trend, companies’ eyes are focusing on the excess on short-term income-expenditure balance? A “system” is ultimately something that is used by humans, and “human resource systems” in particular are important systems that profoundly define people’s everyday

working styles and long-term careers. Simply because the system has changed does not mean that the feelings and working styles of workers can easily change. Today, in an era when only those companies that have a long-term business vision and strive to secure excellent human resources survive, management that views workers as merely a cost is doomed to eventually collapse. Companies must be conscious that workers are the most important management resource they have in achieving competitive supremacy. This basic concept enables companies to discover potentially capable workers and introduce employment systems that also fulfill the various human needs of these workers, firmly establishing them within the company. With regard to work-life balance, which has been the subject of increasingly lively debate in recent years, it can be said that we are now about to enter a period during which we return to the original Japanese point of view. We need to seriously rethink what work-life balance measures are appropriate in the context of Japan, and what needs to be done from the perspective of Japanese businesses and the people who work for them.

As mentioned at the beginning of this paper, in the past few years, there has been noisy debate in Japan about the improvement of work-life balance. The reason that issues related to work-life balance have become so pertinent is that, when considering the direction of future development of Japanese society over the long-term, it is imperative to extend the discussion to include issues that touch on the foundation of social structure. This is the framework that prescribes the relationship between businesses, which are the basis for productivity, and the people who work for them. In other words, improving work-life balance is vital to achieving sustainability for the three actors, namely individuals, businesses, and society.

For individuals, work-life balance is essential for achieving a sense of purpose in life as well as gradually improving their work skills to achieve better-quality work. For businesses, as mentioned above, work-life balance is essential for securing outstanding human resources and establishing them within the company, drawing out and developing workers' skills, and raising productivity. In addition, for Japanese society, work-life balance is essential for promoting better family environments and communities based on good relations between individuals and businesses, as well as promoting the development and expansion of healthy local communities in which the children of the future are born and raised. In this way, the idea that the enhancement of work-life balance is necessary for the development of society as a whole can be said to be so self-evident as to leave no room for doubt from the long-term perspective of the sustainability of all of these actors.

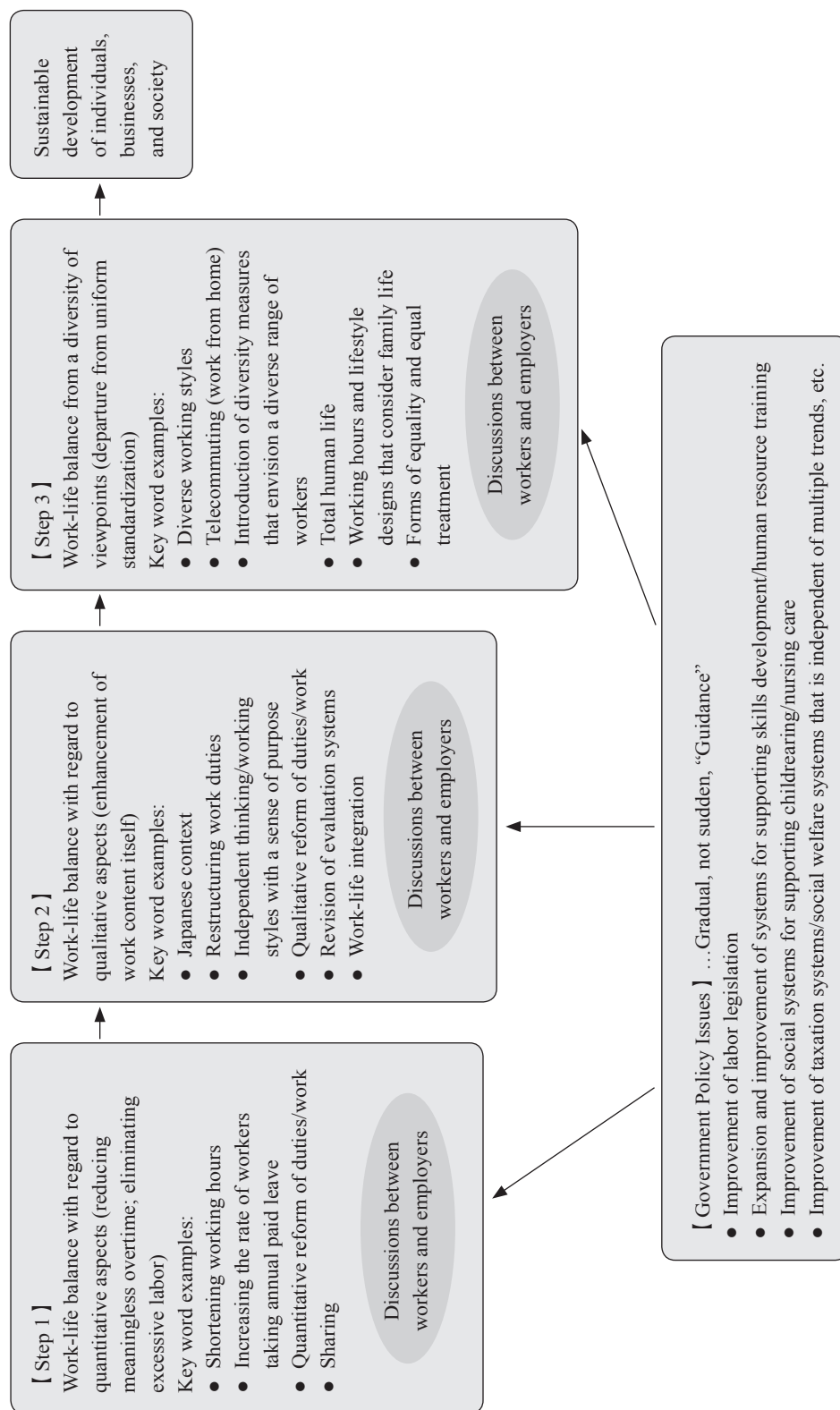
However, we must also recognize the point that realizing “Japanese work-life balance” through the three steps mentioned above incurs costs that must be done by the three actors of government, workers, and companies. Keeping in mind the above-mentioned “J-curve effect”, which expresses how a company’s productivity changes following the introduction of work-life measures, companies need to prepare themselves for the possibility that their productivity may drop temporarily, and individual workers may need to be aware of the possibility that there may temporarily be economical costs, such as a decrease in income. With its duty to lead society as a whole in a better direction based on the interests of workers and employers, the government also needs to introduce various regulations, undertake various legal reforms, and set numerical targets.

However, it must be kept in mind that the concept of “costs” that each actor should bear is a way of thinking that appears only in a relatively short-term perspective. While it is important to be aware of the point that all actors incur costs, it is even more important that society as a whole seriously considers the true fruits of work-life balance from a more long-term perspective rather than focusing only on the aspect of short-term costs. In other words, it is vital to consider designs after the “equilibrium point” on the “J-curve”, where productivity and profits begin to cover the costs.

For example, when the government attempts to strengthen across-the-board requirements from an extremely short-term perspective, even if they achieve Step 1 (the quantitative dimension), achieving Step 2 (the qualitative dimension) and Step 3 (diversity) is still extremely difficult. The reason for this is that Steps 2 and 3, which are aimed at the realization of a Japanese work-life balance, are not targets that should be aimed for under so-called “forced” conditions. While a minimum degree of regulation is necessary, the reason that discussions of work-life balance have a basically difficult nature is because it is not the type of thing that can or should be “forced” on people or society through regulations. In order for newly introduced systems and measures to truly take root in people’s (business managers’ and workers’) consciousness and transform society as a whole, a lengthy ripple period is required, and even if complications arise for each of the actors during that time, such systems should be implemented. More than anything, the responsibility of government, who are aiming to improve work-life balance for society as a whole, is not to expect sudden and dramatic changes and set unattainable numerical targets. Instead, they need to take a

sustained long-term view and, while considering the interests of both workers and employers, foster awareness and enact laws to this end from the standpoint of “guiding” society towards gradual changes in awareness.

The only way to pursue “work-life balance” that is not forced or imposed, but truly satisfactory for all actors is to cast aside discussions that focus entirely on short-term costs and, from the perspective of long-term sustainability, tirelessly build up layer upon layer of serious discussions regarding the roles of workers and employers. The basic focal point in doing this should be to pursue the most appropriate situation for all actors after serious consideration of the most appropriate work-life balance for each actor independently, keeping it in mind that both businesses and individuals are independent and internalize diversity. The most important point is to correctly understand that the concept of work-life balance is not a “concession” or “benefit” provided by a company to its employees. It is not something that workers unilaterally “win”, and least of all something that should be introduced by the government through sudden and strict regulations, with only short-term numerical targets. Although at a glance this may seem obvious, awareness that tends to be overlooked will be fostered socially and absorbed.



Source: Osaka Workers and Employers Council (2008)

Figure 1 Labor and Management Issues for the Realization of a "Japanese Work-life Balanced Society"

Figure 1 shows simplified outlines and lists the important key words of each of the three steps described earlier. Figure 1 does not attempt to show that there is a “direct” progression from the conclusion of Step 1 to Step 2 and then likewise to Step 3. As also shown in the case examples presented in Figure 1, a large number of companies are in actuality working on Step 1 while aiming at Steps 2 and 3. Accordingly, it should be noted that, rather than being a guide indicating a linear order for these three steps, Figure 1 implies that the development and expansion of work-life balance measures in Japanese companies is meaningful when general and ideological ways of progressing over a long time span for these three items are kept in mind.

5. Concluding Remarks

This article has considered specific developments in Japanese companies aimed at promoting work-life balance. In the past few years, the trend of Japanese companies introducing work-life balance measures has progressed rapidly, with companies’ main actions being to eliminate excessively long working hours and experimentally introduce human resource systems involving comfortable and relaxed diverse working styles. However, the concept of “balance”, which is the basis for the concept of work-life balance, is a way of thinking originally based on a Western concept/value that views “work” (that is, asceticism) and “life” (that is, happiness) dualistically, as two aspects of life that can be completely separated. Thus, attempting to introduce such work-life measures into Japanese companies without question generates concerns that the measures will not function, causing various problems and corporate unraveling. In the past, Japanese corporations have not viewed work as being completely ascetic. Rather, Japan business has been characterized by the skilful incorporation of playful elements into work, and a strength of Japanese companies.

In the world of business administration, Western countries are “developed countries”, and many of the mechanisms and methods used by Western companies appear to be very attractive tools in the eyes of Japan. However, it must not be forgotten that the Western way of thinking has been produced within the context of each of these Western countries. Rather than accepting the institutionalized mechanisms and management methods of other countries without question, Japan needs to introduce and establish mechanisms for Japanese work-life balance that consider the context of the country and the cultural characteristics of Japanese people. It is the author’s hope that the three steps presented here can assist in achieving such a balance.

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Author Introduction

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