
on the land itself. The third ring comprises the government. Color it a somber shade; the Japanese are most pessimistic about it. The fourth ring comprises the family. If white is the most intense of colors, then color this ring white; the family is the quintessence of each citizen's loyalty, energy, and attention. Within the innermost circle—right smack in the center—is the individual. Color him grey-pink, the color of the Ueno cherry blossoms undulating in a March breeze, or orange-brown, the color of the wood in the Kiyomizu temple at sunset, or black-green, the color of the Matsu-shima pines in a misting rain. The Japanese citizen's views of his obligations, rights, and outlook are singular, derived totally from his culture. In Japan, the age of the individual is at hand.



JAPAN'S CHANGING WORLD OF WORK

by Koya Azumi

Three themes usually dominate discussions of Japan at work: the homogeneity of the Japanese people; the diligence, loyalty, dedication, and high morale of Japanese workers; and the paternalism of management.

I submit that these stereotypes are false, or at least seriously outdated. The Japanese are, in fact, highly heterogeneous. Worker loyalty in Japan is a product of economic self-interest, not sentiment. And morale is often lower than it is among comparable workers in the United States and Europe.

It is indeed true that the Japanese are homogeneous in terms of race, language, and culture, especially in contrast to Americans. Overemphasis, however, can lead to a unitary image, which is unwarranted and misleading, particularly in matters where race, language, and culture have little relevance. It is better, I believe, to keep in mind that an industrialized society is necessarily hetero-

geneous; that Japan, as it industrialized, became increasingly heterogeneous; and that the forces that brought this about are likely to make the society more susceptible to rapid change.

The working-age population of Japan (15 years of age and older) is estimated at 86 million out of a total population of about 114 million. The active labor force—those employed or seeking jobs—totals 54 million. The distribution of this labor force shows a steadily declining percentage of those engaged in forestry and agriculture (9 percent compared to about 4 percent in the United States), typical of other industrialized countries. The remainder of the work force is engaged in various, primarily urban, occupations, including 14 million (26 percent) in manufacturing, 10 million (20 percent) in wholesale and retail sales, and 8 million (15 percent) in service jobs. Among those in the labor force, some 9 million (18 percent) are self-employed. The percentage of people in professional and technical occupations stands at about 6 percent, considerably below the more than 9 percent found in most Western industrialized economies.

This broad spectrum of workers, which includes a far higher proportion of university graduates in the under-45 age group than is the case, for example, in West Germany, represents a broad range of personal tastes, values, political views, and lifestyles.

It is clearly dangerous to make generalizations about the Japanese worker. While the Japanese people as a whole may have a greater sense of commitment to work than the people of other societies, there are broad variations in the degree to which this commitment is felt throughout the population. Perceptions of work and degrees of job satisfaction in Japan depend to a great extent (as they do in any society) on one's place in the social structure.

Surveys indicate that workers on the lowest socioeconomic levels and women generally are least content. White-collar workers are happier than those in blue-collar jobs. Older workers are more satisfied than young workers.

The Orient Express

Not surprisingly, job satisfaction is also related, in part, to the type of industry and the nature of one's job. Workers in processing industries, such as oil refining, are more satisfied than assembly-line workers. Apart from the boredom of many repetitious assembly-line tasks, the important factors appear to be autonomy and control. The Japanese worker has no desire to become a robot. Job satisfaction drops when the pace and

nature of work is dictated by a machine and the worker loses a sense of control.

The Japanese people certainly appear to be hard-working. The Japanese work ethic—even more than the old “Protestant ethic” in the United States—views hard work as both a virtue and a moral responsibility. One can even find slogans posted by workers in Japanese factories proclaiming, “Work is religion.”

Japanese working abroad take their work ethic with them. Employees hired in New York City by Japan-based firms tend to work normal hours. But those sent out from Tokyo follow the custom of the home office, frequently working until 8 or 9 in the evening, and riding to their homes in the northern suburbs on a late train dubbed “The Orient Express.” Leisure time on weekends is frequently spent in some work-related activity, such as playing golf with a customer. By American standards, these workers neglect their families.

High-Speed Work

When a United Auto Workers official, Douglas Fraser, visited Japan in the early 1970s, he is reported to have said that “in some plants Japanese workers put together cars at [high] speeds that would not be tolerated by American workers.” Are the Japanese really that diligent? The evidence is contradictory, at best. Personal observation leads me to believe that there is greater variation in work speeds within a country, than between one country and another. Workers in some shoe manufacturing plants I have visited in Massachusetts seem to produce at greater speeds than their counterparts in Japan, perhaps because they are paid at piecework rates.

A Japanese government youth survey in 1972 suggests that Japanese youth, compared to youth in other countries, are more work-oriented than people-oriented, but their values appear to be in a state of flux.

Are Japanese workers loyal? Many Japanese companies are

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known for ritualistic activities designed to foster among workers a sense of loyalty and identity with the firm. In some companies, the atmosphere is not unlike that of a revival meeting. In Matsushita Electric Company factories, where Panasonic electrical appliances are manufactured, it is customary to hold a daily assembly at which workers sing the company song and listen to speeches. Sometimes company officials will discuss practical matters, such as production plans, and occasionally a worker representative will deliver what amounts to an exhortation or testimonial.

However, when Konosuke Matsushita, the founder of the company, paid a rare visit to one of his plants and a delegation of workers, mostly young girls, was sent to the train station to see him off, the delegation was totally distracted by the sight of a popular television star. The TV celebrity proved far more important to them than the head of the highly paternalistic company that provides its employees with housing, recreational facilities, medical care, and a company store. Worker loyalty is less than absolute.

A Relatively Unhappy Lot

Japanese workers fall roughly into three broad groups: those with job tenure, amounting to lifetime employment; temporary employees; and day laborers. More than 90 percent of wage earners have job tenure; the remainder are temporary workers hired and laid off according to business conditions. Studies by Robert M. Marsh and Hiroshi Mannari suggest that the tenured Japanese worker tends to spend his entire working career with one firm, not because he feels morally bound to do so, but because his status enhancement needs are better met by staying.* These findings are at odds with an earlier thesis proposed by another American specialist, James C. Abegglen, who argues that the traditional Japanese sense of loyalty best explains both the systems of "lifetime employment" and a wage system that is based largely on seniority rather than performance.†

Other evidence also indicates that the Japanese are a relatively unhappy lot. Kunio Odaka, who has done much empirical research on industrial workers, found in the first half of the 1960s that Japanese worker morale was considerably lower than

*Robert M. Marsh and Hiroshi Mannari, *Modernization and the Japanese Factory* (Princeton Univ., 1976).

†James C. Abegglen, *The Japanese Factory* (Free Press, 1958).

AN INTERNATIONAL COMPARISON OF 'JOB SATISFACTION'
(Figures indicate % of 'Satisfied' Respondents)

<u>Jobs</u>	<u>U.S.A.</u>	<u>W. Germany</u>	<u>Sweden</u>	<u>Norway</u>
Skilled-manual	84	47		
			Middle class	
Semiskilled-manual	76	21	72	88
			Working class	
Unskilled-manual	72	11	69	83

Adapted by permission of the publishers from *Toward Industrial Democracy: Management and Workers in Modern Japan* by Kunio Odaka, Cambridge, Mass.: Harvard University Press © 1975 by the President and Fellows of Harvard College. Original table was in Alex Inkeles, "Industrial Man," *American Journal of Sociology*, 66 (July 1960), p. 6.

that of industrial workers in the United States, West Germany, Sweden, and Norway.*

Odaka discovered that only 40 percent of rank and file workers in five Japanese companies were satisfied with their jobs. Only in West Germany, where a mere 21 percent of semiskilled manual workers and 47 percent of skilled manual workers express satisfaction with their jobs, is there comparable disaffection. In the United States, the corresponding figures were 76 and 84 percent, in Sweden 69 and 72 percent, in Norway 83 and 88 percent.

In a more recent study, my colleagues and I found that only 39 percent of the 600 workers we surveyed extensively in Japan felt that their work suited them well, compared to 70 percent in Britain and 83 percent in Sweden. The study design provided control over such factors as plant size and product manufactured, and the same instruments were used to measure various facets of organization and personnel.

We found that attitudes toward work in Japan are clearly related to the structure of the employing organization, especially its hierarchy of authority. A sense of alienation is greatest where management and administration are highly centralized, and where the worker feels isolated from management. The

*Kunio Odaka, *Toward Industrial Democracy: Management and the Workers in Modern Japan* (Harvard, 1975).

pervasiveness of rules (against smoking or eating on the job, for example) and a feeling that orders are not to be questioned also contribute to low morale. This suggests that many Japanese organizations provide little autonomy for the worker and frequently create an atmosphere in which the worker feels that he is being watched closely—and that he is not trusted.

Japanese companies are aware of this problem and conduct surveys of their own to test worker attitudes. Corrective measures include instituting provisions for greater lateral mobility as well as efforts to let workers develop multiple skills. These are not intended to upgrade a worker's job but rather to allow him to be shifted to a variety of dull, repetitive tasks, instead of remaining with just one.

Arranging Marriages

It is also usual for the Matsushita organization, Mitsubishi Heavy Industries, Hitachi, and others to keep work units small so that workers develop a stronger sense of cohesion and loyalty to each other. The effect is such that it is not uncommon for workers to remain at the factory on their own time to discuss mutual problems, such as quality control. By the same token, sanctions against workers misconduct are more likely to come from fellow workers than from management.

The paternalism of Japanese management has been very real. It is manifested in generous fringe benefits (e.g., health care, paid vacations, housing allowances, free transportation to and from work), in the diffuse social relations between management and worker (a boss may even arrange a marriage for an employee), in the guarantee of lifetime employment, and in a reward system that includes both pay and promotion based on seniority and education rather than productivity and performance.

The no-firing policy is widespread but not universal among employees with presumed job tenure. Generally, the employer expects to retain the tenured employee and the employee expects to stay with the firm for the duration of his work career—that is, from his entry into the labor force after he leaves school until the compulsory retirement age, which has commonly been set at 55. This policy is by no means closely followed by all economic organizations. But it is sufficiently common to mean that management frequently cannot reduce its work force in response to technological innovations and market fluctuations.

Bosses consider it bad business, bad form, and bad public relations to fire employees, especially when large-scale layoffs are

publicized in the press. They prefer to reduce payrolls through early retirement or attrition. Even when a work force must be drastically reduced—as was the case in the aftermath of the 1971 disruption of U.S.–Japanese trade brought about by the surprise devaluation of the dollar, still referred to as the “Nixon shock”—companies usually make elaborate efforts to avoid firings.

Corporations could maintain the tradition of lifetime employment were it not for the economically irrational reward system, which awards both promotions and salary increases to tenured workers without regard for responsibility or productivity. Such practices can be continued only in an expanding economy. In the 1950s and 1960s, these conditions were largely met and Japan enjoyed a persistent better than 10 percent annual rate of economic growth. The prospect now, and an optimistic one at that, is for a relatively stable growth rate of 5 or 6 percent a year.

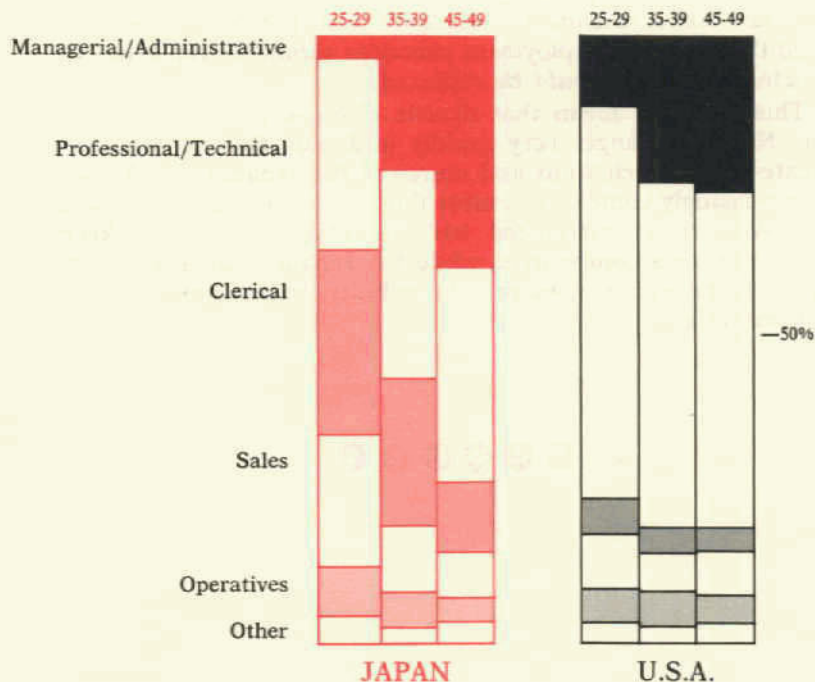
Japan's Aging Population

Moreover, Japan has undergone substantial demographic changes. The decline in the birthrate in the 1950s, as well as an overall improvement in health conditions resulting in lowered mortality for all ages (Japan is now competing with Sweden for the world's lowest infant mortality rate), have made the population increasingly older. At the same time, the overall level of educational attainment of youth has risen, thereby increasing the number of college graduates and reducing the number of new workers fresh out of middle and high school, who filled labor's ranks in the boom years.

In addition to these factors, workers are demanding ever higher wages and bonuses, a shortened work week (from 6 to 5 days), shorter hours (down from 48.3 hours per week in 1960 to 43.5 hours per week in 1975 for manufacturing workers), and a higher compulsory retirement age (already raised to 57 or 58 in some industries because of labor shortages). In short, the conditions under which both lifetime employment and a reward system based on seniority and educational attainment can be maintained without threat to the survival of the firm cannot be expected to prevail much longer.

The problem of the aging, and therefore more senior, worker is readily apparent. In 1970, about one-third of the male labor force in manufacturing was under 30. Older workers (over 45) constituted slightly more than 20 percent. The percentage of older workers is expected to rise to about 37 percent by 1985, meaning higher payrolls when wages are pegged to seniority.

**OCCUPATIONAL CATEGORIES OF MALE COLLEGE GRADUATES
BY AGE, 1970**



Source: Japan—Ministry of Labor, *Rōdō Hakusho*, 1976 edition. U.S.A.—1970 Census of Population.

A similar difficulty faces those firms that persist in granting promotions based on education and seniority. Currently, only about 4 percent of Japanese men aged 50-54 are university graduates, but this proportion is expected to rise to nearly 15 percent by 1985. In 1974, in establishments with more than a thousand employees 64 percent of university graduates aged 50-54 occupied high administrative posts. No comparable proportion of university graduates aged 50-54 can be expected to occupy high administrative posts in 1985 without rendering a firm so top-heavy with expensive managers as to risk bankruptcy.

Japanese management is well aware of this problem, and some changes are occurring in the reward system to make wages more dependent on performance. Hiring practices are changing as the demand for professional personnel and experienced workers

forces employers to recruit from rival companies. Union wage demands are being met by management, but productivity continues to rise as well. And in a recent survey of 300 major firms on the Tokyo Stock Exchange, conducted by the Japanese news magazine *Nikkei Business*, well over half the firms not only agreed that lifetime employment practices should be replaced but predicted that they *would* be replaced.

This does not mean that drastic changes are coming overnight. Nothing changes very rapidly in Japan. But the evidence indicates that the customs and mores of the Japanese workplace will increasingly come to resemble those of the United States and other Western industrialized nations. This is likely to keep Japanese exports competitive, while the Japanese worker experiences less paternalism, more job mobility, more individualism, and greater labor unrest.

