

Promotion possibilities of female white collar workers in Japan

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The study of the promotion problem of female workers is important because it is necessary to make positive use of women workers. It is socially desirable that competent women be more likely to be promoted than incompetent men because management by incompetent men worsens the economic performance of the national economy.

There are various approaches to this issue, which is a promotion possibility problem. I believe that the skill approach is the most useful, and I will focus on white collar jobs because they are expanding and have offered new employment opportunities for women and men.

First, I will explain my research method. In order to describe my method, I shall make a brief survey of the promotion problem studies. Next, I will describe my field studies about four white collar jobs. I will argue that the key point is whether different OJT (On-the-Job Training) and Off-JT (Off-the-Job Training) is offered to men and women. Finally I attempt to explain theoretically the results of my field work.

I Survey and Research Method

There are many approaches to the study of the promotion chances problem. Based on the fields of sociology, law, psychology, management

theory, economics etc., many hypotheses can be built.

In the field of career development theory, Wakabayashi and Graen (1984) did a longitudinal study of managerial promotion in a 7-year follow-up study of one of the largest department store chains in Japan. Their conclusion is that the career development of the Japanese salaried-men, at least up to the lower middle-management position, can be predicted based on information collected very early in the career (first 3 years). This finding is different from conventional wisdom in Japan which is that the earliest period of one's career has little influence on one's later career, which is called "egalitarianism within a firm". Their result in Japan is similar to Rosenbaum's study of a large corporation in the United States.

Rosenbaum (1984) analyzed the career mobility of a cohort of employees in a large corporation over a 13-year period using official personnel records. He argued that the tournament mobility model is prevalent in American corporations. As in an athletic competition, those who enter the competition at the same time progress through the hierarchical system by winning successive competitions. Losers are handicapped from further advancement.

Hanada (1987) has analyzed selected Japanese companies using the career tree method in Rosenbaum's framework. The most interesting of his findings is that many large firms in Japan have introduced a personnel system of severe competition during periods of rapid economic growth.

There is also the economic approach to the study of white collar workers. Using the framework of internal labor markets, Osterman's pioneering work (1984) investigated white collar jobs. Works on this

subject are gradually increasing.

Koike (1988) argued that Japanese firms make long range evaluations of their candidates for two reasons, so that promotion by selection occurs late in a career. First, complex work such as white collar jobs cannot be evaluated mechanically, so more than one evaluation is necessary. Post change every three years can guarantee this objective evaluation. This evaluation method can maximize the efficient use of competent white collar candidates. The second reason is that the system should not allow losers to become demoralized. Low morale on the shop floor can have adverse effects on performance. Koike proved this late-selection hypothesis not only by interviewing many personnel management officers, but by making international comparisons of an executive's age, length of service, and/or educational qualifications. (As for the controversial argument that Japan has not been affected with diploma disease, see Koike and Watanabe (1979).) There is much other literature on this subject. These literature have ignored differences in gender.

The gender approach is often seen in sociological literature. Articles in "*Gender in the Workplace*" (C.Brown and J.A.Pechman eds. 1987) are typical examples. Two articles by Heidi I.Hartmann and Strober/Arnold are of especial interest. Hartmann deals with a large insurance firm, and Strober and Arnold discuss bank tellers. Their framework is based on internal labor markets and job segregation between sexes. In this approach the gender difference of promotion chance is crucial. Although there are many works on job segregation such as Blau & Ferber (1986) and Bielby & Baron (1986), they lack analysis of job content. In other words, they ignore contents of skill. They are too much concerned with names of jobs and ranks. So we cannot understand the concrete problem

of the bottleneck in women's promotion from their studies. Thus, the skill approach, which I believe is most useful, is necessary.

The skill approach can be described in the following manner. In most modern corporations in all of the advanced countries, managers or supervisors are promoted from within. In other words, internal labor markets (ILM) prevail. Therefore the job careers of many workers should be examined. It is true that many approaches based on the ILM framework exist, but it is crucial to know an employee's job career. It is necessary to know what jobs a supervisor has experienced, what the connection between former job and present job is, what types of career paths exist in the corporation. One person will have experienced a sequence of jobs from an easy job to a difficult job during one's career in a firm. Each of these jobs has to be examined as carefully as possible. And then, we must compare job careers between men and women. To investigate a job career is to know how skill is formed. This skill approach has been advocated by Professor Koike for quite a long time. See Koike (1988). I have adapted his method and framework.

II Skill Formation in White Collar Jobs

Koike says (1988, p.75)

Since no method for directly measuring skills has yet been developed, the character of skills can be observed only by using a proxy measure. One common way of acquiring skills is through on-the-job training. Thus one method for observing a worker's skills would be to find out in what kind of jobs he had become proficient.

And he defines “career” as “the way in which a worker progresses through a related series of jobs”. Professor Koike believes that “This definition enables us to assess the breadth and sophistication of a worker’s skills by observing his careers.” I would call this approach of Professor Koike the “skill approach”.

Much field work has been done on blue collar workers, but relatively few studies have been done on white collar workers. Also, there are few studies focusing on gender difference. I conducted an in-depth field study of four types of white collar jobs in Japan; sales clerk of a department store and of a supermarket, clerk of a bank, and laboratory researcher in the pharmaceutical industry. Following Koike’s methodology, I interviewed not only personnel officers, but also many workers of both sexes on the shopfloor. I shall summarize the results of my field study of each industry.

II—1 Department Store

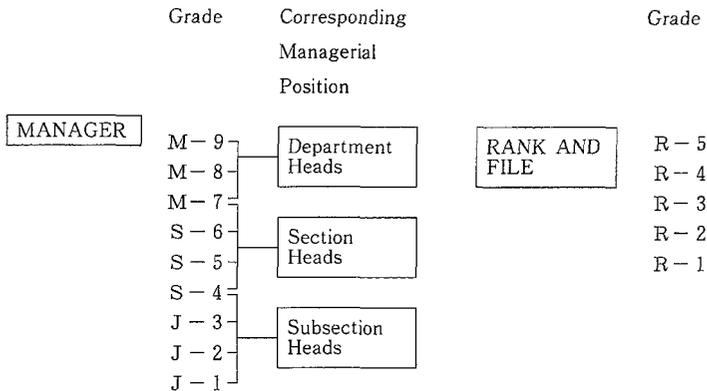
Work on department store workers has accumulated since Wright Mills’ analysis (1951). Bluestone et.al. (1981) is typical of such studies in the U.S. In Japan, Wakabayashi and Graen (1984), Nakamura (1983), Yashiro (1986) among others are excellent studies. Bluestone’s book lacks an ILM analysis, so he must be unable to understand that large wage differentiation does not necessarily mean polarization of the workforce. Papers by Japanese scholars lack intensive analyses of female workers and since female workers perform a task with discretion, these studies cannot offer a clear explanation of the connection between internalization

of employees and autonomy on the shopfloor. I examined daily activity on the shopfloor paying special attention to the aforementioned points.

I visited three large department stores in 1988. The ratio of females to total employees of these companies is about fifty percent. I interviewed a few women in each firm. I had an intensive interview with each woman for over 1 hour.

As an example I take the case of Department Store A that has about 13000 employees. The average age of women employees is 25.8, average tenure of women employees is 6 years. Since 1952, the same salary system and merit rating system has been used for both men and women in Firm A. In Japan many large firms have a personnel ranking system based on job skills and job experience. We shall call this system a Grading System. In Firm A, rank and file workers are classified into five grades, managers are classified into nine grades (See Figure 1).

Figure 1 Grading System of Firm A



Firm A grades a high school graduate (18 years old) as R-1, a junior college graduate (20-21 years old) as R-2, and a college graduate (22

year old) as R-3. When determining rank sex and academic background are disregarded as much as possible, so fair competition is assured by providing an equal opportunity at the starting point (See Ishida (1986)). Grades and managerial positions loosely correspond to each other. For example, some people in S-4 are Section Heads, but others are specialists without subordinates. Pay level however is determined according to grade. Workers are upgraded by merit rating and by working a minimum number of years in the same grade. Upgrading is a necessary condition for promotion. Workers must also pass the in-firm examinations to upgrade. An examination is required four times, when upgrading from R-2 to R-3, R-3 to R-4, J-2 to J-3, and S-5 to S-6. The examination when upgrading from R-3 to R-4 is an important gateway for the career development of female workers, because it is taken when employees of both sexes are about 26 years old. This is a time at which most female workers must decide whether or not to continue to work, or to become a housewife. Almost all women employees (82 %) are ranked at R-1 to R-3. The ratio of women managers is 5 % at J-1 and J-3, 11.4% at J-2, and very small at S-4 and above.

Let's look at the job careers of two female lower-managers of Firm A in detail (Table 1). Miss H is now 43 years old, single, having 26 years tenure, graded at J-3. Mrs. G is 36 years old, married with one child, having 14 years tenure, graded at J-2.

Miss H's two initial jobs were monotonous because the tasks were easy and directed by a male supervisor. She simply sold goods and recorded daily sales. After her 4th year at the Illuminator Shop, she was entrusted with this Shop. The male Buyer (Section Head) taught her about budget control and merchandise control as well as giving her detailed knowledge

of the merchandise. She now manages a boutique, and has 6 women subordinates. She also has had a male subordinate in this boutique.

Table 1 Job Careers of Two Female Lower Managers

Miss H	High school graduate Japanese Cake Shop (2 years) Room Accessory Shop (3 years) Illuminator Shop (12 years) Manager of women's boutique in a hotel (9 years)
Mrs. G	College graduate Women's Dress and Suit Shop (1 year) Clothing Shop for Young Adult Women (3 and half years) Prêt à porter (in French, better quality ready-made suit) Shop (4 years) former Clothing Shop (but changing Brand) (4 months) Manager of DC (Designers' Character) Brand Floor (4 years) Coordinator of Women's Clothing (1 and half years)

Mrs. G has held various jobs within the Department of Women's Clothing. This pattern is typical for workers of both sexes in department stores. Miss H's mobility between little-related jobs is exceptional. At her 2nd year in this firm, Mrs. G was entrusted the Clothing Shop for Young Adult Women. This shop was managed by three employees, Miss G who at that time was not married; a male college graduate who was the same age as her; and a freshman who was a junior college graduate. She was a leader and was allowed great discretion in managing. This experience caused her to take interest in working in a department store.

Generally in department stores in Japan, the sales clerks and their immediate supervisors in the shops are almost women. Until a certain time ago, a lower-manager had always been a man and his subordinates had been women. But women gradually tended to become lower-managers, and even middle-managers. So now male workers tend to become Salesman for Customers (called Gaishō or Gaihan). This restructuring of

the division of labor is interesting. It is also seen in banks, as I will discuss later.

II-2 Supermarket

The most excellent survey on supermarkets is the survey by the Japan Federation of Textile Workers' Union (Zensen-Domei) (1980) (Zensen-Domei organizes labor unions of large supermarket companies). This survey has some interesting findings. (1) There are many parttimers who number over half of the total employees, and they are almost all married women between the ages of 30-45. Even rather important tasks can be performed by parttimers. (2) As for fulltimers, there are few female workers in the Food Shops, but there are many female fulltimers in the Clothing Shops. (3) Employees learn tasks by OJT, and have much discretion over their everyday activity.

I called on five General Merchandise Stores (GMS) in 1985. Two shops, a vegetable/fruits shop and a women's garment shop, were investigated in detail. First in the vegetable/fruits shop, a division of labor based solely on sex is seen (For example, see Table 2). Parttimers work from 9:00 to 16:00 except Mrs.E. Mrs. E works from 8:00 to 16:00.

There is a complete division of labor between the sexes, or between fulltimer and parttimer. There are no female fulltimers working in the Food Shop. The important tasks in this shop are order, pricing and price reduction, giving directions of tasks to parttimers, display, and judgment of which items will sell and which items will not sell. The latter task is a key task, I believe. These tasks are all done by male fulltime workers. The tasks of the female parttimers are basically supplemental to the male

workers. For example a major task of parttimers is to cut vegetables and fruits, and to wrap them. Almost all of the female parttimers are not willing to become fulltime workers because of, for example, family obligations.

Table 2 Vegetable and Fruits Shop

NAME	GRADE*	STATUS**	SEX	AGE	LENGTH OF SERVICE	EDUCATIONAL QUALIFICATION
A	5	F	M	35	13 YEARS	COLLEGE
B	3	F	M	25	3	COLLEGE
C	2	F	M	20	1	HIGH SCHOOL
D	1	F	M	19	0	HIGH SCHOOL
E		P	F	35	7	
F		P	F	37	5	
G		P	F	33	1	
H		P	F	38	2	
I		P	F	43	3	
J		P	F	45	6	
K		P	F	21	1	

Note) * Grading System in this firm is 13 ranks. Managerial position is Grade 5 and above. Parttimers are not graded.

** F=FULLTIMER, P=PARTTIMER

I investigated the other type of shop, the women's garment sales shop. In this shop, women employees outnumber men employees. And there are many female supervisors. Of course, many of the managerial positions occupied by women are that of lowest manager, called chief. The case of a woman becoming a middle-manager, called kacho, is rare. But in this shop, there is no sex discrimination about opportunity of training and promotion. As regards training, sex discrimination hardly exists not only in formal off-the-job training (Off-JT), but also in informal on-the-job training (OJT). The latter is important. The aforementioned important tasks such as judgment of which items will sell well and quick order are performed

Table 3 Tasks in Women's Garment Shop

NAME	A	B	C	D	E	F	G
GRADE*	4	4	4	3	2	1	1
SEX	F	M	M	F	F	F	F
AGE	29	30	27	22	24	23	21
TENURE	7	15	4	4	5	1	1
EDUCATIONAL QUALIFICATION**	C	H	C	H	H	C	J C
TASK***							
(1)	Y	Y	Y	Y	Y	Y	Y
(2)	N	Y	Y	Y	Y	N	N
(3)	Y	Y	Y	Y	Y	Y	Y
(4)	Y	Y	Y	Y	Y	Y	Y
(5)	Y	Y	Y	Y	Y	O	O
(6)	Y	Y	O	Y	Y	N	Y
(7)	Y	Y	Y	Y	O	O	O
(8)	Y	Y	Y	Y	O	O	O
(9)	Y	Y	Y	O	O	O	O
(10)	Y	Y	Y	N	O	O	O
(11)	O	O	N	N	N	N	N
(12)	Y	Y	O	O	O	N	N
(13)	Y	O	O	N	N	N	N
(14)	Y	Y	N	N	N	N	N

Source) Tomita (1986), Wakisaka (1986)

Note) A-G are all fulltime workers.

* see Note in Table 2

** C=COLLEGE GRADUATE, JC=JUNIOR COLLEGE GRADUATE,
H=HIGH SCHOOL GRADUATE

*** Y=PERFORM THIS TASK

O=SOMETIMES PERFORM THIS TASK

N=NOT PERFORM THIS TASK

Tasks are the following.

- (1) In charge of assorting and ordering goods
- (2) Assorting and ordering goods not under one's own charge
- (3) Selling goods not under one's own charge
- (4) Dealing with client's complaints such as returned goods
- (5) Training freshpersons and parttimers
- (6) Making out a working schedule
- (7) Determining the display on the shop and the priority goods
- (8) Judging which items will sell and will not sell and analyzing the cause
- (9) Keeping account of sales and profit on sales
- (10) Determining clearance goods and clearance price
- (11) Participating in designing sales tactics of the branch
- (12) Consulting with subordinates
- (13) Voicing one's opinion concerning manning policy
- (14) Making an appraisal of subordinates

by every woman worker. Even parttime workers in this shop have their own goods and often make orders by telephone. Therefore in this shop, there is no job segregation by sex (See Table 3).

Personnel management system in GMS is the same as in the Department Store. A grading system has been introduced in every GMS company. Merit rating, a ranking system which determine the degree of competence by type of job group, and examinations for upgrading by paper test and/or by interview by executives, are two pillars of the personnel management system.

To summarize, although it may appear that the food shop in GMS is sex-segregated, in truth the segregation is simply between parttime and fulltime workers. So we can say that there is no sex segregation in GMS as a whole because promotion is based on evaluation by the Grading System and by objective examination.

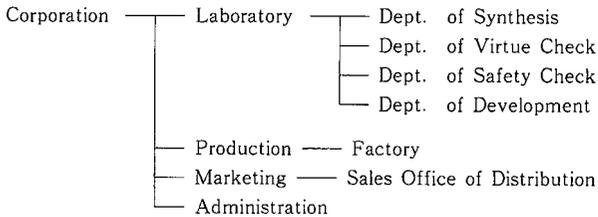
II-3 Pharmaceutical Researcher

Much work has been done on the career development of engineers in Japan such as Takagi (1984), Imano (1987), and Ito (1988). A survey of research done in the U. S. and U. K. by Muramatsu (1986) is useful. Studies of laboratory researchers of pharmaceutical firms include those by Kobayashi et.al. (1985) and the Institute for Future Technology (1986). These two studies focus on female researchers.

I visited three laboratories of pharmaceutical corporations in 1987. I would call them LAB. B, LAB. C, and LAB. D. LAB. B is a large-sized company, and LAB. C a medium-sized, LAB. D a small-sized company. (As to this report in detail, see Wakisaka (1988a)). Research and

Development of new pharmaceutical products entails great expense over a long period of time. The ratio of R & D expenses to net sales is over ten percent. So personnel administration of researchers is very important to the company. Organization of a typical pharmaceutical firm is shown in Figure 2.

Figure 2 Organization of a Pharmaceutical Firm



Research in general progresses based on project teams made up of several staff members. The number of members in a unit varies by department. Three or four members make up one unit in the Department of Synthesis. In the other departments, the number of members in a unit is from six to fifteen. Therefore even if there is a specialist in a particular area, he/she does not necessarily join the team of his/her own speciality. Movement of researchers within a department occurs frequently. Many female researchers work in the Dept. of Safety Check, but there is no department where women do not work.

Movement between departments hardly occurs. But in LAB. D, not only movement between departments but also between the department of laboratory and the factory is seen. The latter transfer is generally seen after a researcher becomes 35 years old and shifts him from laboratory to factory (cf. Shiba (1967)). Company D plans to establish a career course for researchers as a generalist. Company C has a Grading System and

examination for upgrading including researchers, but in general there are no examinations for upgrading or promotion of pharmaceutical researchers.

There are a variety of projects in a pharmaceutical firm such as a long-term project over a decade, or a short-term project over a few months. Generally speaking, a long-term project deals with a difficult and challenging subject. A key point in skill formation of a researcher is what projects he/she has taken part in. As to this point, a difference by sex emerges. In other aspects there is no difference by sex including tasks which do not have a direct relation to research, for example cleaning the room. In the case of a long-term project, a manager is reluctant to assign a woman as a leader because if a project leader leaves the company it has a destructive effect on research activity of the laboratory. Opportunity for studying abroad is also limited for women because this Off-JT is the most expensive investment for the firm. If a female researcher having studied abroad leaves the company, the loss on the company is tremendous. As for other Off-JT except studying abroad, difference by sex basically does not exist. However in LAB.B, women cannot take part in Off-JT which occurs throughout the night.

Based on the field study of these three laboratories, it seems that the smaller the size of the company, the more equality of sex there is in custom and practice. This phenomenon can be explained by innovation theory, I believe. But generally speaking, there is relatively little sex discrimination in the pharmaceutical industry compared with other industries.

II-4 Banks

There has been no intensive study on labour in a Japanese banking company except for Koike (1987) and Watanabe (1984) (1987). The former compares banks in Malaysia and Thailand with Japanese banks. Koike focus on the Lending Section where few women work. The latter study deals with women clerks, but in-depth research is not done.

In all of the advanced countries, banks have internal promotion systems. As Morris (1986, p. 24, p. 119) pointed out, British banks have an informal agreement not to recruit from each other's staff and they place emphasis on OJT and job rotation, therefore on a generalist training. As Koike (1988) clarified by the comparison between Japan and EC countries, ILM are the most prevalent in Japan in the banking industry. I will make a further attempt to investigate how ILM functions in Japanese banks, and also to examine the sexual division of labour in Japanese banks.

I visited two banks, having about 3500 and 2000 employees respectively. The ratio of females to total employees is over forty percent in both banks. The national average of that ratio in all banks is a little lower than the ratio of these two banks (See Fig. 3 below). But these two banks are typical of Japanese banks. Banks are essentially financial intermediaries. They make their money by taking deposits and lending to other customers at a margin. So how useful or convenient the services are that individual employees offer to customers is a key point to the banking company.

Bank clerks are given vestibule training for one week after they enter the bank. Both men and women take the same course. After that, they

are allocated to each branch. There they learn the skills of a bank clerk by OJT. Interval training for the newly hired is done. At each two or three month interval, freshman and freshwoman take an Off-JT for a couple of days. This consists of training for increasing skills to do a particular job as well as reception training. Job rotation occurs frequently for both sexes. So bank clerks develop their ability as generalists. Difference by sex occurs as follows. While men's career develops towards work in the Lending Section and in the Customers Section (the latter section can be seen only in Japanese banks, I think), women's careers generally stop at the level of teller. Even the job of teller was monopolized by men until the 1960s. Before then, a female clerk had to take "back office" jobs. Now, almost all tellers are women (See Strober and Arnold (1987), Wakisaka (1988c)).

Table 4 Job Career of Miss N

	Graduate of High School in 1965
Branch S.	Calculation (5 months)
Branch T.	Ordinary Deposit (6 months)
	Bill of Exchange (8 months)
	Cashier (15 months)
	Assistant of Lending (4 years)
	Cashier (2 years 8 months)
	Teller of Deposit (11 months)
	Receptionist and Ordinary Deposit (2 years 3 months)
	Current Account (3 months)
	Teller and Current Account (6 years 10 months)
	Teller and Customers' Women (4 months)
	Bill Collector and Customers' Women (9 months)
	Teller, Current Account and Customers (3 months)
	Customers and Teller (1 month)
	Customers (10 months)
Branch H.	Officer dealing with Deposit (6 months)

I intensively interviewed eight female lower managers in 1988. For

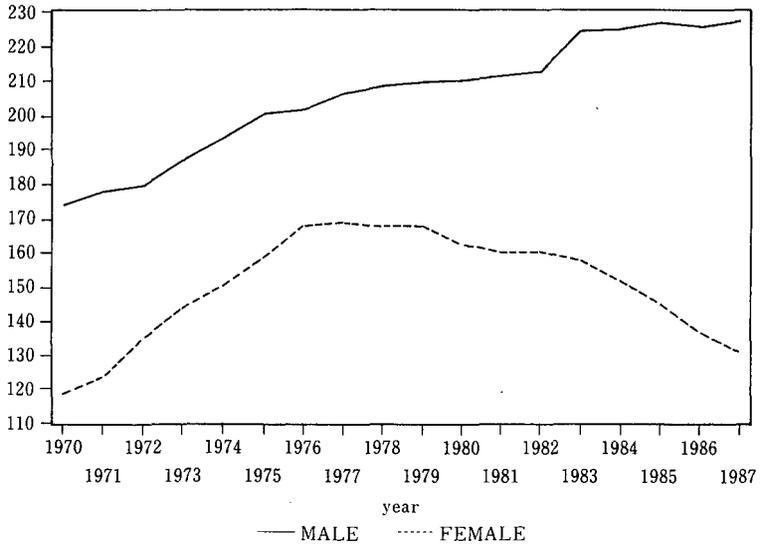
example, Miss N's job career is shown in Table 4. (As to a more detailed description of job careers, see Wakisaka (1988b)). She is now 41 years old, single, with 22 years length of service. Table 4 shows that the job rotation of even a female clerk occurs very frequently, but that women are hardly transferred between branches. Generally male clerks transfer between branches every three years, at least every five years. Women usually leave the bank after having worked at only one branch because many women voluntarily leave the bank to become married. The other difference by sex is that women are almost never assigned to jobs in the Lending Section and in the Customers Section. It is true that Miss N worked in the Customers Section, but the period was short. These jobs in the Lending and in the Customers Section have been monopolized by men until recently. Since 1985 many banks have begun to assign women to jobs in the Lending and in the Customers Section, however have not allowed them to deal with corporations, but only with people. I believe that the jobs in the Lending Section dealing with people and in the Customers Section dealing with people will be feminized very quickly like the case of feminization of tellers. The average number of female staff in the Customers Section in 64 Regional Banks in Japan rose from 8 in March 1983 to 23 in March 1988, while the corresponding number of male staff rose from 449 to 472 (*The Financial Journal*, June 1988).

Both banks interviewed have a Grading System, but only one of them gives an examination. Examinations are done three times, twice when upgrading (only by a paper test) and once when being promoted to the first (lowest) manager level (by a paper test and executives' interview). Generally in Japanese banks, many banks conduct an examination.

Finally, though the proportion of females employed in banks has rapidly

Figure 3 Number of Workers in All Banks

thousands

Source) *Analysis of Financial Statement of all Banks.*

Federation of Bankers Associations of Japan

Note) March 31 in each year

PROPORTION OF FEMALES

YEAR	1970	1971	1972	1973	1974	1975	1976	1977	1978
%	40.5	41.0	42.8	43.5	43.7	44.2	45.4	45.0	44.6
YEAR	1979	1980	1981	1982	1983	1984	1985	1986	1987
%	44.4	43.6	43.1	42.9	41.3	40.2	39.1	37.8	36.6

declined (Fig. 3) perhaps because of computerization such as electronic banking, clerks' work has never been routinized and "degraded". (Decline of the female ratio in Japanese banks is contrasted with slow growth of that in British banks (Morris (1986), p. 91).) Braverman (1974, Chap. 15) and Crompton and Jones (1984, Chap. 2) predict that new technology deskilled the bank clerks' skill, especially the skill of female clerks. But, as has been pointed out, the career of bank clerk develops from an easy job to a difficult job. Even if a certain job becomes very simplified, job careers of individual men and women simply enlarge vertically and horizontally.

Therefore, Japanese banks resemble British banks in the point that Morris (1986, Chap. 6) emphasised. The banks' employment practices go towards sex equality of opportunity even if there are wide differences in the career prospects of men and women. Instead of a dual labour market strategy, the policy of banks is such that the career of a competent woman in business can progress upward.

III The Promotion Chances of Women

III-1 Formal System of Promotion in Japan

In Japan firms give women workers many chances to become promoted by way of a sophisticated personnel system. As has been pointed out, the Grading System and in-firm examinations for upgrading and/or promotion play a pivotal role. Let's examine the prevalent situation in Japan by looking at the Survey of Ministry of Labour (1987). According to this survey, 25.3 percent of firms introduced a Grading System. In large corporations with 1000 or more workers, over 80 percent did so.

The fact that few small firms do not have a Grading System is not surprising, because it is not necessary to grade or rank among relatively few members. So a Grading System is necessary for firms which have above a certain number of employees. The average number of grades in a Grading System is ten. The criteria for grading or ranking is almost always based on job performance ability. Among firms having a Grading System, 65.6 percent are based on the job performance ability as a manager, 34.7 percent as rank and file.

On the other hand, the survey shows that few firms have examinations for upgrading. For example, as for upgrading within clerical rank and file jobs in large firms, only less than 30 percent of the large firms have examinations. As for promotion to Subsection Head of clerical and engineering sections in large firms, 22–23% have examinations, 17–22% at the Section Head level, 22–23% at the Department Head level.

Clearly, there is room for a supervisor's arbitrary appraisal for promotion because there are many firms without examination systems. But prevalence of a Grading System is very favorable to women. Arbitrary appraisal of a subordinate's daily activity is not persistent, because frequent transfers of managers create a fair personnel assessment system.

III—2 Real Hurdle to Women

What is the barrier which prevents women from becoming promoted? And what measures must be taken to overcome such barriers? Many people including scholars have made various answers. There are five types of explanations of the female promotion barrier.

- (1) inferiority of women's ability including physical strength.
- (2) difficulty of relocating women because of resistance to changing residence.
- (3) difficulty of assigning overtime work to women.
- (4) men's prejudice toward women.
- (5) women's higher probability of leaving the company because of marriage or childbearing.

From my investigation of white collar jobs, points (1)–(4) do not apply except in the case of a bank.

As for (1), physical strength is not necessary in white collar jobs. So gender differences in physical strength are not relevant. Does ability differ between sexes other than physical strength? I don't think so. As a matter of fact, there are many cases where a competent woman is promoted more quickly than an incompetent man. Even in a banking company, such cases are often seen.

As for (2), this reason is rejected because it depends on the job. The job career of GMS typically involves moving to the same sales shop in the case of changing to a different store. So working in many stores does not necessarily raise the skill level of the salesclerk. As for the sales clerk of the department store, there are few companies where relocation of even male workers involve changing residence before the age of 40. As for laboratory researchers, both men and women are hardly relocated.

As for (3), there is an insignificant difference between the sexes from the viewpoint of an efficient formation of skills. For example, the important overtime work duties of retail clerks are to change the layout of shops, to design an important scheme, and so on. This type of overtime work is done only one or two times a month. So overtime work

duties are not high hurdles for women to face.

As for (4), no prejudice against women was observed in my investigation of the shopfloor including that of banks. Also from the theoretical point of view, the “taste” hypothesis of discrimination (taste for discriminating against women) put forward by Becker (1957) or Arrow (1972) cannot explain persistent discrimination.

Thus only (5) provides a real hurdle to a female worker possessing the will to work as well as the ability to work. Reason (5) can often be explained by an economic theory called statistical discrimination theory put forward by Phelps (1972), Arrow (1973), Thurow (1975). According to this theory, employers have no prejudice against women. But on average more women tend to leave the company than men, because many women consider their work as a “stop gap” job before marriage. Employers do not have perfect information about an individual woman’s future potential and duration of service. They cannot identify which women are willing to work throughout a lifetime. But the firm must incur a personnel training investment cost. This leads employers to assign only men to key jobs, or job slots which contain a long line of progression. Also when making the decision of who to promote, more men are promoted than women because if a female supervisor quits there will be a loss to the company. So employers assign men to career-tracked jobs, and women to dead-end jobs. This assignment is *not generated from* employer’s prejudice. Rational behavior leads to such job segregation. This statistical theory is considered the most convincing theory to explain the phenomenon of discrimination.

But my findings cannot be fully explained by statistical discrimination theory. First of all, in many cases both sexes are hired at the same job

slots and are given the same OJT and Off-JT. Secondly, selection for promotion is often done through a rigid ranking system and an objective examination. Executives have little discretion over promotion. So when being promoted, statistical discrimination is not likely to occur. However middle-managers and upper-managers are almost all men even in these white collar jobs. Why?

The reason can be explained by a supply-side consideration. The age at which a single woman becomes a lower-manager or middle-manager is the same age as her final chance of marriage. In Japan a woman's average age at first marriage is 25.8 years old in 1985. About 90 percent of women get married before the age of 30. So a woman must decide at this age to either quit work to get married or to continue to work. In Japan few companies have child care leave programs. (Of course, child care leave programs are not prevalent in many countries). And day care services for children under 3 years of age are insufficient (public services are sufficient for children 3-year old and older). So it is difficult for a woman competent in business to become a working mother. These facts lead many women competent in business to leave their companies when they get married or become pregnant.

IV Conclusion

There are no hurdles to women's promotion inherent in Japanese personnel system. But there are crucial differences between the sexes in informal OJT, which is an important skill formation process. Through informal OJT, a worker experiences various kinds of jobs, thereby acquiring different kinds of skills. However, a female worker tends to

receive less informal OJT than her male counterpart. Real difference by sex exists here. But even in OJT, there exists the shopfloor where men and women are given the same OJT. In such a shopfloor, the remaining problem is only women's behavior concerning the trade-off between work and marriage.

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