UNDERSTANDING MANAGERIAL WORK IN THE MODERN JAPANESE FIRM: THE INFLUENCE OF NEW ORGANIZATIONAL FORMS AND CHANGING HUMAN RESOURCE MANAGEMENT PRACTICES

By

Jonathan Morris (Cardiff University, UK), John Hassard (Manchester University, UK), Rick Delbridge (Cardiff University, UK) and Takahiro Endo (Hitotsubashi University, Japan)

Abstract

The aim of this study is to understand the nature of managerial work in Japan during an era of widespread corporate reform and changing human resource management (HRM) practices. To achieve this, a qualitative multi-method investigation was designed in which data were collected from company documents, ethnographic observations, and principally in-depth interviews with senior, middle and junior managers. These managers worked for five large Japanese corporations whose operations were based respectively in a range of industrial and commercial sectors. Silhouetted against widespread corporate restructuring and assessing managers' personal rationalisations of key HRM concerns – *vis-a-vis* job security levels, payment systems, promotion/career systems, trades union activities, and work-time expectations – the study found significant age, experience and gender-related differences in the experience of managerial work and working environments. Finally, in conceptual terms, the project adopts an approach in which

Weickian sensemaking and business systems theory are deployed to frame evidence that reflects macro (institutional), meso (organizational) and micro (individual) levels of analysis.

Keywords: business systems; human resource management; Japan; managerial work; organizational forms; sensemaking**.**

Introduction

Debates on the status and effects of so-called neo-bureaucratic and post-bureaucratic organizational forms have been ongoing since the early 1990s (Daft and Lewin, 1993: Drucker, 1992; see also McSweeney, 2006; Sturdy, Wright and Wylie, 2014). Such debates, however, have been dominated largely by quantitative analyses focussing on the liberal-market – largely Anglo-American – context, with much less research drawn from coordinated business systems economies, such as Japan (Whittaker and Deakin, 2011). What is more, the extant research makes scant reference to the *experiences of managers* in an age of large-scale corporate restructuring (Okabe, 2012). These we argue are significant omissions, not least since the evidence points to considerable change in organizational forms, HRM systems, and managerial work in Japan as a consequence of new competitive pressures and changing product markets (Jacoby, 2005; Keizer, 2009; Olcott, 2009). This is especially so given the argument that more 'flexible' structures have been introduced by Japanese companies – notably including delayered hierarchies (McCann, 2014) – and that the organizational pressures associated with them have significantly changed the work of Japanese managers (Hassard, McCann and Morris, 2009).

In what follows, we assess the managerial outcomes from pressures being placed upon contemporary Japanese firms to introduce what can be seen as not only an Anglo-American model of corporate governance (Vidal, 2014) but also, and largely in concert, more Westernized HRM systems (Carr and Pudelko, 2006; Pudelko, 2004). We illustrate how such forces and phenomena have been experienced and interpreted by managers; who, in *qualitative research terms*, have been relatively under-researched as an employment cadre, especially in the context of modern Japan (see Hassard et al, 2009). As such, we feel the present investigation not only fills important research gaps in these resects, but also represents a timely and above all innovative contribution to the management and organization studies literature.

The paper is developed in five main parts. Following this introduction, the first two parts discuss the principal areas of literature underpinning the investigation – viz. (a) new organizational forms and business systems theory and (b) HRM practices and managerial work – in an analysis that contextualises the investigation in terms of tracing 'continuity and change' in the organization of the Japanese firm. In part three we explain the methodology of our study; a section which describes the techniques used for researching essential relations between managerial work, organizational forms and HRM practices. In part four, following introductions to the case companies, we describe data from our empirical investigation, with explanations of contemporary managerial work being assessed mainly in terms of reactions to and perceptions of five key HRM issues – viz. job security levels, payment systems, promotion/career systems, trades union activities, and work-time expectations. In the final substantive part we present a discussion that contrasts the main findings from our research into managerial work, organizational forms and HRM practices with those from previous kindred investigations, to form ultimately the basis of a comparative analysis that reflects on many theoretical issues debated earlier. Finally conclusions from the study are drawn.

New Organizational Forms and Business Systems Theory

To prepare the context for our analysis, and starting from a macro-level perspective, we note that debates over 'new' (neo-bureaucratic and post-bureaucratic) organizational forms basically surfaced in the 1990s as part of a wider discussion of post-bureaucracy in advanced economies (Daft and Lewin, 1993; Drucker, 1992). However, as Palmer et al. (2007) note, despite encompassing the fields of management and HRM, the debate tended to be relatively under-theorized and fragmented. Essentially, the claim was that traditional forms of organizing – on a hierarchical and bureaucratic basis – were no longer appropriate in a context of heightened global competition and marked technological change (Tapscott, 1999).

The new paradigm stressed the need for more flexible, flatter organizational structures in order to respond to a faster moving business environment. Indeed, the argument gained much currency, being popularized in the 'guru' business management literature (Hammer and Champy, 1995; Kanter, 1989) as well as the more 'academic' (Castells, 2000; Child and McGrath, 2001). The argument ran that leaner, flatter, post-bureaucratic forms would emerge predicated upon major organizational restructuring, including centralization of core activities, outsourcing of non-core undertakings, reduced hierarchical levels, subsequent downsizing, and movement to a 'choose and focus' strategy (Schaede, 2008). It was predicted that such measures would have major implications for corporate systems in general and for human resource practices and the nature of managerial work in particular (Tempel and Walgenbach, 2007).

In fact much research pointed to a 'neo-bureaucratic' model emerging – one different from the classical, traditional or 'old' bureaucratic (*sensu* Weber, 1947) form but including key features of it (Dore, 2009). This was the case not only for liberal-market economies such as the US and UK, but also for the coordinated economy of Japan, in what was perceived to represent an evolutionary rather than revolutionary change process (Palmer et al, 2007). This scenario suggested not only environmental selection, as firms grappled with heightened competition, but also organizational change based on firms adapting to institutionalized expectations, not least those of shareholders as part of an incipient 'global' business discourse, and principally an Anglo-American one.

Within such discussions, however, there has been relatively little qualitative research on the impact of new organizational forms on the working experience of *managers*. Exceptionally, Balogun and Johnson (2004) suggested middle managers were the worst hit by their introduction and illustrated this through longitudinal qualitative research. Elsewhere, in a study of the US, UK and Japan, Hassard et al. (2009) suggested that while these new forms represented 'neo-bureaucracy', rather than 'post-bureaucracy', the impact on middle managers was significant; with increased work intensification and larger spans of control, yet diminished levels of commitment and motivation, being identified. However, while greater pressures on managers appeared ubiquitous, the consequences in terms of managerial outcomes – for instance, job security and organizational identity – often differed markedly between nations, and conspicuously so when Japan was compared with other major economies.

Research into new organizational forms, therefore, has tended to reflect Anglo-American contexts. Studies have tended to account for liberal-market conditions of relatively freestanding corporations, funded primarily by shareholders and operating in flexible product and labour markets, with relatively little empirical investigation being conducted on other business systems settings. Notable exceptions are Pettigrew and colleagues' work on 'innovative organizing' in Europe (Pettigrew and Fenton, 2000; Pettigrew et al, 2003), Johnson et al.'s (2009) international comparison of HRM outcomes and, for Japan, Dore's (1996) research on the 'conversion to investor capitalism' and Sako's (2006) work on shifting organizational boundaries. In research on Japan, firms have been characterized as extremely hierarchical and bureaucratic, but with systematic flexibility in-built by the *keiretsu*, the sub-contracting system and elastic labour markets (Dore, 1996). Thus in coordinated-market economies, such as Japan – that are arguably not so beholden to independent shareholders – we might anticipate less of an imperative for restructuring. Furthermore, we might assume the barriers to change would be greater, with firms locked into dense networks of corporate groupings – including banks and suppliers (Whitley, 1999) – and operating in a 'company as community system' model (Inagami and Whittaker, 2005).

The present research on managerial work therefore is silhouetted contextually against the analysis, for example, of Whitley (1999), Hall and Soskice (2001) and others (see McCann, 2014, for a review), which argues theoretically that business systems can be clustered into forms based on particular organizational dimensions, and notably dominant types of ownership coordination, non-ownership coordination, and employment relations. The suggestion is that different countries have different modes of economic organization, which are often internally consistent, or reflect 'complementarities' (Hall and Soskice, 2001). In the Japanese context, non-market ownership relations are important and support risk-sharing employment strategies. Additionally, the dominant pattern of economic coordination and control is linked to the nature of institutions such as the role of the state, the financial system and its regulations, and the nature and quality of employment relations. In this regard, Japan's system is characterized as *highly* coordinated, with close business networks and corporate alliances.

Nevertheless, there have been several criticisms of the business systems theory approach. Notably, Hall and Soskice's 'varieties of capitalism' framework has been criticized for its inability to explain change (Morgan, 2007), which is particularly germane given the focus of this paper. Further Morgan (2007) explored the ‘dynamics’ of the business system approach, and as a result argued for institutionalization as an essentially actor-centred social process – one predicated on far greater agency than is often assumed. This is a line of analysis with which the current paper on managerial experience of organizational ‘continuity and change’ within a major business system has much sympathy.

While there have been fewer studies on new organizational forms in coordinated-market than liberal-market economies, there has however been a volume of work on corporate strategy and changes to corporate governance (Carr and Pudelko, 2006; Schaede, 2008; Whittaker and Deakin, 2009). This, implicitly at least, covers related areas such as corporate funding and the restructuring of large corporate groupings, including inter- and intra-firm relations and changes in relationships to banks, supplier firms and wider Japanese society (Ahmadjian, 2016; Ahmadjian and Robinson, 2001). Oliver et al (2002) argued, for example, that Nissan’s widespread restructuring of its *keiretsu* and subcontracting relationships in the early 2000s (largely a consequence of its merger with Renault) created a benchmark for the whole Japanese auto industry. Also significant here is pressure to adopt Anglo-American corporate governance practices and the growing influence of foreign ownership of Japanese firms and, more importantly, of their shares (Dore, 2009; Jacoby, 2005; Whittaker and Deakin, 2011). Schaede’s (2008) study, for example, outlined the context for change in Japan, including the collapse of the ‘bubble’ economy and heightened global competition for Japanese manufacturing products (particularly consumer electronics) from the US and emergent east Asian economies. It also described how internal demand also shrank due to the overhang of personal, corporate and bank debt arising from the collapse of the bubble.

In macro terms, therefore, pressures have emerged from both inside and outside of Japan for reforming the system in order to improve the strategic direction and competitiveness of Japanese firms. Such reforms have basically been fourfold in nature: A first set has revolved around corporate governance, including increased transparency, greater shareholder involvement and an unwinding of interlocking share ownership in keiretsu structures (Whittaker and Deakin, 2009). A second set has loosened labour market restrictions on the use of temporary and agency workers (Keizer, 2008), while a third set has increased price competition and weakened the hold of wholesalers and retail outlets in the domestic market (Stucke, 2013). And a fourth set involved the privatization of certain state-owned companies (Schaede, 2008). All of this resulted in what Schaede (2008a) argued to be a 'strategic inflection point' in which:

> Japan's business organization has shifted from its old emphasis on corporate growth through diversification and long-term relationships towards a focus on core business and concentration of resources to increase profitability through efficiency and strategic superiority (Schaede, 2008, p. 1).

In Schaede's view, these changes drove large Japanese firms into a process of structural reorganization based on 'choose and focus' – getting rid of peripheral businesses and concentrating on core products; or in other words, searching for new organizational forms. It also increased the chances of new firms/sectors emerging. Schaede argues this derives from a targeted pursuit of profits – as opposed to market growth – and to a shift from risk aversion towards greater acceptance of competition and market relations (Sako, 2006).

In terms of the context of our analysis therefore 'new' organizational forms seem to be manifest in Japan. Practices associated with downsizing have been accepted by both Japanese senior managers and unions as a means of continuing in business in adverse environments (Ahmadjian and Robinson, 2001; Noda and Hirano, 2013). Furthermore, firms were delayering by the early 2000s as part of a wider restructuring of business (Hassard et al., 2009). Firm boundaries were also changing, notably in the form of *keiretsu* ties loosening, with more fluid networked relations emerging in response to heightened competition, modular production, global sourcing and weakened links between corporate groups and banks (Oliver at al, 2002; Whittaker and Deakin, 2009). Indeed boundaries of the firm had altered along the lines basically suggested in the new organizational forms literature.

HRM Practices and Managerial Work

Turning to more meso- and micro-levels of analysis, there have also been significant changes to the status of HRM systems and the experience of managerial work in the context of Japanese corporate reform. Again this does not imply a complete shift to Anglo-American practices, but rather the emergence of increasing fragmentation and segmentation, and thus of *hybrid* forms of organizing. Moves to adopt new organizational forms, accompanied by changes to the corporate governance system, have important implications for changes to Japanese HRM systems. There are also implications for managerial work, most notably in relation to personal experiences of downsizing and delayering, but also as noted earlier vis-a-vis corporate restructuring brought about by reshaping the boundaries of the firm (see Sako, 2006).

Changes to HRM systems and shifts in managerial work experience we argue are intimately related to, and to an extent contingent upon, new organizational forms. From previous research, new organizational forms seem to have been introduced tentatively in Japan and these, to a large extent, are closely related to changes in corporate governance (Hassard et al, 2009). As noted, they include a lessening of the importance of *keiretsu* corporate groupings (Ahhadjian and Robbins, 2005; Aoki and Lennefors, 2012: Aoki and Wilhelm, 2017) and moves to flatter, more responsive, organizational forms in large firms. Further, the decreased importance of the *keiretsu* concept is a consequence of the declining importance of inter-connections and relations between these groups. This sees their financial interests in one another (via crossholdings, for instance) lessened, along with a reduced role for the main bank funder, itself a consequence of the post-bubble crisis. It also sees increasing foreign ownership of companies and importantly share ownership by foreign institutional investors, including pension funds and foreign-owned hedge funds (Ahmadjian and Robbins, 2005; Olcott, 2009).

The emergence of 'new forms' in large Japanese organizations thus suggests, we argue, that there are *significant implications for HRM practices and the experience of managerial work*. As a starting point, there have been significant changes in the Japanese labour market, and notably a decline in manufacturing jobs associated with deindustrialization, as labour-intensive industries have increasingly off-shored production. There has also been a large increase in service sector employment, particularly in retailing and wholesaling, with a 10% increase as a proportion of the workforce between the mid-1990s and 2010 (JILPT, 2014). In addition, there have been significant increases in 'non-regular' and female employment, with significant numbers of part-time female workers now employed in service sector roles (Keizer, 2008).

Together with the downsizing and delayering described by Ahmadjian and Robinson (2001), such developments in employment systems may be expected to impact significantly on the traditional 'three pillars' of the Japanese HRM system: lifetime employment, seniority-based pay and enterprise unions (Cheng and Kalleberg, 1997; Lincoln and Nakata, 1997). Indeed, Aoki and Jackson (2008) point to widespread fragmentation in the Japanese employment model. Elsewhere Ishida and Sato (2011) argue this represents a paradigm-shift in employment relations towards a more market-driven approach, particularly in relation to pay systems. Others however are more cautious; with Hassard et al. (2009) for example arguing that while performance-related pay has been introduced for managers in large Japanese organizations, traditional seniority arrangements remain important. Also, Whittaker (2009) suggests that the ‘spread’ of performance-pay has actually been sluggish, in the light of difficulties surrounding its introduction, for instance, at Fujitsu. Elsewhere case study investigations by Keizer (2008) and Jacoby (2005) suggest there is continued support for so-called ‘lifetime’ employment (LTE) forms of job security among major Japanese employers and that while pay was increasingly performance-related the amounts were modest and had largely been grafted-on to existing systems, notably seniority-based. Watanabe (2000) similarly argues that the seniority-based wage system in large firms is being modified to maintain a more robust lifetime employment system.

In sum, on the one hand there appears evidence of ‘continuity’ in terms of how Japanese managers experience and interpret the nature of their employment. On the other, however, there also appear signs of ‘change’; for example, a shortening of the lifetime element for Japanese managers to 50 years and younger; that LTE applies to fewer managers as a consequence of managerial downsizing; and that managerial recruitment is much reduced. Notably while the seniority element to pay appears to remain important, research points to fewer managerial promotion opportunities as large corporations try to contain labour costs, with work intensification for Japanese managers largely persisting. It is indeed these fundamental issues of ‘continuity and change’ in relation to human resources practices and the experience of managerial work which will form much of the analytical framework for the research reported.

Methodology

Given the diversity of evidence relating to claimed convergence trends in the Japanese business system, and in particular in respect of the debate concerning the extent of pressures to move towards more Anglo-American HRM forms, our aim here is to explain the implications of such arguments for the experience of Japanese managerial work. The primary objective is to account for patterns of organizational continuity and change by way of the grounded sensemaking (*sensu* Weick, 1995) accounts of Japanese managers. Drawing on in-depth qualitative interviews, the paper analyses the extent to which innovative forms of organizational structuring and HRM practices are influencing managerial perceptions and how managers are responding to new institutional requirements and corporate demands. The study demonstrates specifically how managerial work evolves as managers navigate the increasingly ‘hybrid’ characteristics of their organizational domains.

In developing this study, we investigate therefore how new organizational forms and changing HRM practices are being interpreted by Japanese managers – specifically managers in in five Japanese case organizations. In seeking evidence of how managers are experiencing these changes we are concerned with understanding how Japanese companies have changed, are currently changing, or have refrained from changing their corporate policies and operational activities. Our qualitative study therefore reflects: ways in which new organizational forms been introduced into Japan and some of the differences between firms; implications for the working practices of managers arising from HRM innovations; and ultimately how our analysis of experiences and interpretations of managerial work can be located in a theoretical context of wider debates on the nature contemporary business systems.

In light of the literature reviewed above, it was anticipated that the degree of change from the ‘traditional’ (essentially post-WW2 bureaucratic) Japanese model to that of the (arguably neo-bureaucratic or post-bureaucratic) ‘new’ model would vary significantly across firms. As such we sought to access a small but diverse range of organizations from which to elicit data (see Jackson, 2009, on this point). The five firms researched were chosen because they offered insight into a range of organizational forms and a variety of HRM practices. What previous research has been conducted in this area has tended to concentrate almost exclusively on large export-oriented sectors, such as the automotive industry or the large traditional manufacturing *keiretsu*. Instead we chose companies that provided an opportunity to explore significant differences in relation to corporate governance, organizational strategy/structure, HRM systems, and ultimately the experience of managerial work. In so doing we were mindful of the contention that increasingly there appears to be fragmentation, segmentation and layering in the Japanese economy (Aoki and Jackson, 2008; Sako, 2006; Hassard and Morris, 2017) and indeed that this is progressively the case for coordinated-market economies generally (Doellgast, 2012).

Conducting research inquiries during 2014-16, the companies in which managers were consulted included: a traditional manufacturing *keiretsu* firm (anonymized as EngCo); a privatized telecommunications firm (PrivatizedCo); a firm from the ‘new’ high-technology industries (TechnoCo); a relatively new firm working in telecommunications and built on an M&A (mergers and acquisitions) model (NewTelecommsCo, or NTC); and another relatively new firm, a retail organization specializing in book-selling (RetailCo). Access to these companies was gained in some cases through direct requests made by the member of the authorial team who is based in Japan and, on the other, through contacts established by the authors in previous research investigations. In conducting this research we also assembled information from company documents and reports (plus secondary data on the focal firms) and ethnographic observations made during the course of fieldwork.

However, as noted, the mainstay of the research was semi-structured interviews (n = 68) with ‘managers’ – specifically senior, middle and junior managers (including HRM staff). For the interview-based research, subjects were chosen who reflected the spectrum of age and experience. In the main, the researchers specified the types of managers they wished to interview, and the companies provided access to such personnel. Interviews generally lasted between 60-120 minutes, took place in a variety of settings (off-site and in-company) and were conducted in either English or Japanese, depending on the first language of the lead interviewer and the English language competence of the interviewee(s). The research team (which mirrors the authorship of this paper) included both native English and Japanese speakers.

Interpretation of the interview-based materials took the form of ‘traditional text analysis’ (Bright and O’Connor, 2007), where researchers personally identify sensemaking narratives from interview data, rather than have analytical categories generated with the aid of a qualitative analysis software package (see Neuman, 2006 on this point). Data themes were constructed mainly on the basis of researchers conducting a detailed reading and rereading of recorded interview transcripts and hand-written interview notes. Themes identified were then cross-checked by the researchers in discussions.

In the analysis that follows direct quotations are chosen to represent the forms of evidence provided in managers’ narrative sensemaking accounts of particular issues. Through this process managers’ accounts explained the meaning and experience of contemporary managerial work in terms of *five themes the research literature suggested were of particular importance*: namely (i) *job security*, and specifically the lifetime employment system and potential knock-on effects for managerial commitment (Aoki and Jackson, 2008); (ii) *payment systems*, and managers reactions to potential or actual changes to seniority-based pay (Ishida and Sato, 2011); (iii) *trade union activities*, and how they are currently viewed (positively or negatively) by managerial staff (Noda and Hirano, 2013); (iv) *promotion/career systems*, and the forms of impact restructuring has had on managers sensemaking of them (Hassard et al, 2009), and (v) *working time norms*, in terms of how managers currently understand their construction, use and abuse compared to previous employment eras (Okabe, 2015). In the course of the interviews, and in view of informants' relative levels of expertise and knowledge, senior and human resources managers were mainly queried about organizational forms, corporate strategies and HR policies, while middle and junior managers about issues related to their direct experience and understanding of work-related practices.

Data and Findings

Case Companies: Histories and Activities

To offer background information on the companies visited during the investigation, we offer brief summaries of their histories and activities. This information was gained mainly through documentary analysis and interviewing:

EngCo is a large multi-divisional electrical engineering keiretsu-type organization, with a history dating back over 100 years. It comprises around 300,000 full-time employees plus another 40,000 temporary employees. Recently the firm had introduced certain American-style governance practices and appointed foreign independent non-executive directors. In common with a number of other Japanese multi-divisional firms, EngCo had ceased operating in certain, formerly core, market segments; such as semiconductors, consumer electronics and domestic appliances. The company had established joint ventures, sold divisions or parts of the business to third parties and restructured their *keiretsu* relations as part of a re-organization in the 2000s. This was done to 'sharpen the focus' on more profitable areas, including IT and infrastructure. Delayering had occurred earlier, in the 1990s. The restructuring and reorientation of operations over the past 20 years or so had been a response to declining sales and profitability in core business areas, a consequence of intensified international competition from east Asia amid the hollowing out (*kudoka*) of the Japanese economy and sluggish domestic demand. As a result, the core group had transferred production to subsidiaries, which were used to protect better performing sections of the core group and to separate it from the non-core, thus reordering the firm's boundaries.

PrivatizedCo was an old public telecommunications concern privatized in 1985. The firm had initially held a monopoly-type position in the telephone land-line market, but by 2000 was caught between the need to meet unusual Japanese technical standards (which precluded it from entering international markets) and the growth of foreign and domestic competition in the mobile and smart phone markets (Kodama, 2001). At the turn of the century the company employed around 200,000 in Japan, plus around 90,000 temporary workers. Around this time, the company introduced a holding company structure in response to its worsening financial position – the result of increased competition and widely differing internal financial performance levels (the land line divisions, for example, were performing poorly, whereas data and mobile product divisions were performing well). The new holding company structure comprised six main divisions, each with many subsidiaries; which are now run as profit centres. Like EngCo, this restructuring of divisions saw a greater focus on accountability, with subsidiaries used strategically to protect the 'core' as traditional boundaries were reordered.

The other three firms researched can be readily contrasted with EngCo and PrivatizedCo, notably in that they are newer concerns:

NewTelecommsCo (NTC) was formed in 1981 and had undergone a rapid and innovative expansion programme. This expansion had been brought about through a combination of organic growth and M&A activity in three main business domains – mobile phones, telecoms and broadband. This was financed by indirect funding (non-recourse debts and special purpose vehicles) from foreign banks, in order for the founder to maintain majority ownership. The firm had an extremely lean structure, with only six layers below board level (although three were sub-divided). The firm employed 100,000 staff worldwide in its core business and subsidiaries, of which 19,000 were employed in Japan.

TechnoCo was formed as recently as the late 1990s. Involved mainly in internet domains and smart phone media its corporate expansion has been remarkable. Employing just 20 staff in 1999 – yet listed on the 'Mothers Division' of the Tokyo Stock Exchange in 2000 – by 2014 it had grown to a complement of 30,000 full-time employees. This expansion had been achieved largely through organic means, and notably through the development of spin-off companies. When we first contacted the company, in 2014, there were 30 such subsidiaries, whose main function was the trialing (and growth) of new products. The ideas and innovations which formed the commercial basis for many of these offshoot firms were developed by staff internally, although their activities are largely overseen by the corporation's founder. Given the nature of its rapid expansion, over a relatively short time period, the company has developed a very flat organization structure, with just five layers in place below board level.

RetailCo is another relatively new company. Also formed in the 1990s, it is engaged mainly in selling second-hand books and other small goods across metropolitan Japan. The firm has a relatively high degree of external control, and largely expanded through a franchise model; currently around 60% of its shops are franchises. The company employs a relatively large number of part-time workers; in fact, currently around 9000 of its complement (of 10,000 employees). Again the organization structure is extremely flat, with only five levels below board level.

Changing HRM Practices and the Experience of Managerial Work

As noted, the exploration of key HRM issues relating to job security, payment systems, promotion/career systems, trades union activities and working time, forms the analytical framework for our empirical analysis of the nature and experience of modern managerial work in Japan. In what follows, we document managers' interpretations and sensemaking of how changes in these major employment-related areas have affected their understanding of work in a period of widespread organizational and institutional change. In accounting for each issue we present a narrative account supported by illustrative quotations from many of the interviewees consulted.

Job Security. In terms of job security, our interview-based information suggested four of the five firms had maintained some form of long-term management employment system. Despite a prognosis in sections of the management literature on Japan of the 'end of LTE', both of the older firms researched (EngCo and PrivatizedCo) had maintained elements of the practice. Similarly information on two relatively 'new' firms, NTC and TechnoCo (established in 1981 and 1998 respectively) also suggested they practiced some form of LTE for managers. As we will see, however, the fifth organization in which research was conducted, RetailCo, had developed a very different – what might be termed 'non-regular' – set of arrangements for managers in this regard.

Three caveats should be noted, however. First, managers reported that the length of lifetime employment had been reduced at both EngCo and PrivatizedCo. Second, that LTE at these firms subsequently involved managers being transferred to subsidiaries – often on inferior employment terms and conditions, and particularly so in the case of managers over 50 years of age; indeed, both EngCo and PrivatizedCo were strategically using their subsidiaries in order to manage their Human Resources. And third, both TechnoCo and NTC had undergone fairly rapid managerial employment expansion and so LTE in these firms remained relatively untested.

Nevertheless, at face value, LTE seemed to remain well established in the minds of managerial employees. As a young female manager at EngCo, albeit with qualifications, noted: *"*[LTE] *is very important in my mind. But there are location issues here too for managers. They may send you for example to work in one of their subsidiaries, but they do not fire you … And the company may actually reduce your salary by sending you to one of its subsidiaries, but even so your employment is secured"*.

As indicated while the maintenance of lifetime employment was perhaps expected at the older and larger companies – possibly due variously to path dependence and the social difficulties of implementing significant change – it was also evident at the younger companies, NTC and TechnoCo. These firms, which both recruited graduates from elite Japanese universities, expressed a commitment to long-term management employment, mainly as part of a normative attachment to being a 'good employer'. Indeed, this cultural expectation seemed more pervasive than might have been anticipated for such companies. As one young female manager at NTC explained: *"The company provides full-time management employees with long-term commitment. I mean in the company in general the number of agency workers is increasing and their jobs are relatively insecure. But as managers our jobs are quite safe, as could be expected in Japan"*.

However, there was also a strategic backdrop that seemingly placed such explanations in more of a contemporary employment perspective. Notable here was that firms could potentially use corporate restructuring in the sense of core-periphery model to manage any downsizing requirements. At EngCo a male manager in his early 30s explained, this strategic solution needed to be accounted for in relation to the demands of broader social ethics in Japan, for: *"It is not socially acceptable to lay off employees … So what they do is make them a subsidiary and consolidate that for a few years. But afterwards they may sell them [the subsidiaries] off to others ... This is also an accounting technique to change ownership, so they do not have to be criticized … In other words it's not EngCo's responsibility"*.

Meanwhile, RetailCo operated in a quite different labour market. While the company's senior managers supported the objectives of LTE, this was essentially meaningless in a situation where 90% of employees were temporary or part-time. Indeed, the average job tenure was just four years and the average age of employees was 30. Turnover rates were described as 'high', jobs as 'boring,' and grades as 'fairly flat'. Managers were generally graduates, but drawn from across the range of Japanese universities and not just from the elite universities (as at NTC and TechnoCo). RetailCo employees were given minimal training, with two weeks being the average for most, while managers were often recruited from other organizations. One manager we interviewed was a former estate agent, who suggested straightforwardly: *"It's different here,* *very different. It's not like being a manager in a large corporation. I mean it's not like we're managers at [major electronics company]. There just isn't that long-term view".*

Payment Systems. Interviewees suggested that very different payment systems for managers were operated by the 'older' (EngCo, PrivatizedCo) and 'newer' (TechnoCo, NTC, RetailCo) firms. While the older firms had often modified their pay systems, seniority remained key. EngCo had introduced a performance management (*seika-shugi*) system in 2000, but managers were often dismissive of it (Inagami and Whittaker, 2005). One experienced EngCo manager regarded it as merely 'increasing paperwork', suggesting further that such assessment depended largely on what division the employee worked in, with poorer evaluations being the norm in poorer performing divisions. He explained: *"They started to introduce seika-shugi (performance-related pay) and then the formal meetings started to be held for your appraisal. But it did not bring about any real change [in pay], just more paperwork that we don't need".*

Other managers at EngCo, male and female, argued similarly that while they were regularly evaluated this made little real difference to their pay – typically only a 2-3% difference until they reached their late 30s or early 40s. As one young male manager noted, with irony: *"I guess that it is not about the money. If you want money ... you go to work for a foreign-owned firm, or a law firm, not for a big company machine like EngCo".*

In our interviews at PrivatizedCo managers were also critical of the introduction of performance elements to pay. Indeed, because of the level of dissatisfaction with the system the company had subsequently reduced the importance of the performance-related pay element. A middle-aged male manager explained how responses critical of performance-related pay were not exclusive to PrivatizedCo: *"Seika-shugi was adopted but we found many problems. This was* *not only us, but many Japanese firms ... the firm needs to provide opportunities for our employees ... and seika-shugi does not meet this need. It is a very short term view ... it brought anxiety, frustration, tension and other negative things".*

Such corporate efforts at pay system reform can be viewed, at face value, as attempts to introduce more flexible performance-related and individualized elements to managerial remuneration. They can also be viewed, however, as attempts to restrain managerial labour costs in a competitive environment. Having over-recruited in the late 1980s 'bubble' economy, many large Japanese then promptly froze recruitment, with the consequence that many now have an (expensive) aging workforce under a seniority-based regime, and with high levels of expenditure relating to other non-wage costs. In respect of the latter another experienced (male) manager at EngCo explained how the firm was not only 'selling off its company housing', in which he had formerly lived, but also that: *"My pension used to be managed by the firm, but we now have to be responsible for it personally, for they combined the firm's investment and individual's investments, which this is 50% of your monthly pension deposit. What has happened is that the company no longer guarantees your pension. It is part of a slimmed down social welfare system in terms of your salary and extra payments".*

While in reality the introduction of performance-related pay at EngCo and PrivatizedCo had always been somewhat limited, at TechnoCo it had not only been a very high profile innovation but also one linked to an 'extreme' form of promotion; extreme in the sense that managers were promoted *very* quickly, even by Western standards (see later). The HRM director at TechnoCo described the system as a 'meritocracy', with this referring to the company's strategy of setting up multiple subsidiaries, often based on product and service ideas put forward by employees of various stripes, or indeed even by university students who subsequently became employees. Presidents or CEOs of these subsidiaries were often in their 20s, and we encountered one CEO as young as 23. As a 30-year-old CEO of a TechnoCo subsidiary noted, this was all part of the company's system of promoting 'opportunities' to staff, with senior managers suggesting links between these swift promotions and the fact that the company possesses an extremely flat hierarchy. The youngest corporate board member we discovered was in his 30s. There was also a significant performance element in managerial pay determination, with apparently 'top performers' earning as much as twice the pay of 'poor performers' after three years. In this regard, the HR director was highly critical of the 'typical' Japanese seniority system (presumably as epitomized by EngCo and PrivatizedCo), arguing that it stifled younger managers in terms of realizing their promotional potential. He described how TechnoCo employees could reach 'grade 3', a managerial level, 'rapidly'; indeed in exceptional cases within a year, although this was also explained to us as a response to the significant turnover of TechnoCo staff in recent years.

Elsewhere, at NTC, we were informed that seniority (again) played a relatively small role in managerial pay determination – or promotion in general for that matter – and that 'merit' and 'performance' took centre stage, with there being a 30% difference in salary and bonus levels for the 'best' and 'worst' performing managers. The HR Director noted, further, that poor performers were 'regularly demoted', which was confirmed by later interviews with NTC managers. However, a number of managers pointed to negative aspects of the compensation system; albeit that these were basically generic problems related to performance-related pay. One male manager in his early 30s complained: *"For me, I worked in the Finance division for a while, and I faced the problem of measuring individual performance in a team working context. For us, performance was always quite difficult to measure in this respect"*.

Finally, RetailCo was again something of an outlier in terms of its managerial employment system in that, while a performance bonus was paid to managers, the amount of the bonus – as a proportion of total pay – was relatively small. As one RetailCo manager explained: *"Yes we have a performance-related bonus system. For that's a major strategy of the company and the company sees itself as a very modern employer in terms of its business practices. But the bonus it is not so big that you think of it rather than the size of your annual salary"*.

Promotion/Career Systems. Although it has been argued that in older companies the introduction of performance-related pay generally had a limited impact on managerial compensation, nevertheless formal appraisals and evaluations could have a significant impact on promotion opportunities, notably at junior management levels. Here such systems could be related to pay in an indirect fashion – being set within a context of much reduced promotion opportunities for managers, given previous downsizing and delayering exercises.

Indeed, as noted, many established firms had over-recruited in the late 1980s and early 1990s, with this being followed by periods of much reduced recruitment, even recruitment freezes. The consequences of these moves left large companies with a healthy cadre of older managers and yet relatively few younger ones who could be promoted, given the associated costs and also the general lack of demand for senior roles. The 'traditional' or habitual practice of routine managerial promotion – related primarily to age – had in fact ceased in both of the large, older companies visited (EngCo, PrivatizedCo). As one middle-aged male manager at EngCo explained: *"The cost pressures have been very strong in the past 10 to 20 years … So the firm cannot make everybody a bucho (senior middle manager) these days … Now some people have* *to stop at some point ... probably at kacho (middle manager). Things have changed – the organization is now slimmer and more competitive than before".*

Those promotion opportunities that remained at our older companies seemed also slower to materialize. A younger female manager (aged early 30s) suggested that if she were to be promoted it would probably take around 10 to 15 years to reach *kacho* level, while we were informed regularly that promotions to *bucho* level were becoming much rarer at EngCo. At PrivatizedCo an HR manager argued that such problems with a lack of promotion prospects had in turn engendered lower levels of 'motivation' within the company: *"Because the firm is on a downward trend, with reduced opportunities for managerial promotion, people have started to feel demotivated, thinking they have little hope of a bright future. In particular people have started to accuse* seika-shugi *of bringing about this state of demotivation".*

At EngCo, an experienced male manager appeared to continue the 'demotivation' theme when suggesting: *"I hate to say this, but the firm has adopted a 'demerit' system. So you don't have to be that innovative, but you do have to do things without mistakes. In this system you have a hundred points in your career, and those who lose the minimum number of points are those who are promoted".* EngCo and PrivatizedCo were often competing in the same graduate labour market as NTC and TechnoCo, which might partly explain why these latter, younger, and more 'flexible' firms were proving attractive to graduates. As indicated earlier, at TechnoCo, promotion could be exceptionally quick – in fact managers could be younger than their subordinates. As noted, at TechnoCo we encountered a 23-year-old 'President' of a subsidiary who was in charge of 15 staff. Nevertheless, while managerial promotion at TechnoCo and NTC could be much quicker, it was still not guaranteed.

Closely related to managerial promotion prospects is the issue of managerial career expectations. In our research, there was a markedly different attitude to career expectations between managers at the two older (EngCo, PrivatizedCo) and newer (TechnoCo, NTC) companies. However, there were also generational differences between older and younger managers at the former companies, possibly reflecting changes in attitudes as well as labour market opportunities. At EngCo a manager in his 50s, reflecting on the situation when he joined the firm, commented on the career expectations of a typical 'salary-man' and how these had changed: *"It was 30 years ago, it was very different from now … there was no concept of someone changing firms. I mean I could choose EngCo, Toshiba or Matsushita, or an electricity firm. I applied internally at university and I could get in … I entered and I was allocated a factory, that was it. I would in future years become a manager and then later a senior manager. My career with EngCo was assured".*

However, younger managers at the older companies no longer seemed so certain about their career expectations and indeed appeared to express far less corporate loyalty. Many were in fact looking at possible alternative career opportunities. A 31-year-old manager at EngCo explained that a close colleague had recently 'left to join a trading company' (*shosha*). Other managers we talked to were also evaluating possible futures outside of the company. An EngCo, manager in his 30s remarked: *"I enjoy my job at the moment, but I don't think that I'll stay in the company for my entire career. In fact there's the possibility I may move to another firm at some point in the near future".* With seemingly a greater sense of independence than might have been shown by a salaryman of previous generations, he went on to suggest: *"I think the most important factor for me in making the decision to leave or stay is my personal growth. If I feel* *that EngCo is not a really good environment to help me grow, or I cannot find tasks I enjoy, then I may leave. Or perhaps I may find something more interesting outside".*

While generally expressing their satisfaction with work, managers at TechnoCo invariably said they would probably leave the firm at some stage, possibly to start up their own businesses. In this regard, the extremely young 'President' we spoke to said he had developed a product at university and sold the idea to TechnoCo; however, despite this rapid career progress he suggested: 'If I don't make board level in five years I will be gone'. **S**imilarly, a 28 year old manager at a TechnoCo subsidiary – who had started in 2006, become a manager a year later, and now managed 100 staff – suggested he would 'probably leave once I have developed another product'. And a CEO of yet another TechnoCo subsidiary reported that of his *douki* (company graduate intake group) of 100 individuals, around 50 had left the firm in the nine years since he joined, this representing an extremely high turnover rate for a Japanese company.

Within our 'traditional' companies another expression of the lessening of corporate loyalty – one frequently linked to discussions of fewer available promotion prospects – was suggested in the context of managers being regularly dispatched to subsidiary operations. It was proposed to us that a major problem in the modern Japanese economy was that such operations could be 'sold-off with little warning', with resultant risks in terms of downsizing and delayering. Around the start of our research there had indeed been well-publicized lay-offs at a number of major electronics firms in Japan, such as Sony and Matsushita. Commenting on this, a young manager at EngCo suggested: *"So it will not perhaps be possible to stay in the firm for a long time in the future anyway. In my own company, for example, the TV set division was kicked out not that long ago … So I don't think that I can expect lifetime employment".*

Similarly, younger managers were less tolerant of compulsory job transfers than might have been expected in generations past. A young female manager at EngCo was very critical of the corporation when describing her compulsory two-year secondment to another manufacturing site – one located a considerable distance from her Tokyo home. The sentiments of this manager reflected the tenor of similar attitudes expressed to us within the same manufacturing firm: *"Well I didn't ask to be transferred and I didn't want it. In fact I was quite upset about it. But under the current circumstances there has been little I can do but accept it. In the future however there may be more I can do, like possibly moving to another company".*

Trade Union Activities. In terms of collective organization, the firms were broadly divided into the older, mainly unionized (EngCo, PrivatizedCo) and younger, mainly non-unionized (NTC, TechnoCo, RetailCo) concerns. Union membership at PrivatizedCo, for example, was compulsory. Unions in general have played an active role in the restructuring of older firms, as they have more generally in large manufacturing firms in Japan (Noda and Hirano, 2013).

However, even at the older companies, managerial attitudes to trade unions (at least among those of the younger managers we interviewed) were at best ambivalent and frequently hostile, as interviewees often perceived unions as 'largely irrelevant'. Two full-time union officials at PrivatizedCo acknowledged that it was difficult to engage and interest younger managers in union affairs. On this issue, an experienced male manager at EngCo put it thus: *"The [union] membership rate is currently declining and it seems lots of young people cannot see the value of the union. They weren't born into an era where unions were seen as important in society and so it doesn't seem to concern them that much. They just have a different mindset".*

A young female manager we talked to at EngCo had actually left the trade union a while ago, and for largely instrumental reasons: *"Well I can't really see the point of being part of the union because I get the benefits regardless of my participation. So there's no real motivation. I might rejoin if things change, but I don't think that is likely the way things are. What's the point?"* Elsewhere a young male manager at PrivatizedCo suggested similarly that: *"Well the labour union does exist, but nobody really knows why it is there or why they charge us. Personally I get nothing from it. It's mostly a waste of time. That is my candid opinion … I was basically forced to join the union against my will".* At the younger firms there were even hints of anti-unionism reminiscent of managerial attitudes in the US, and notably from those in senior echelons of these companies. At NTC the HR director suggested that a union was simply 'not needed' and that for the most part 'there was no call for one'. Indeed the tone of much senior managerial level discourse in these firms, and likewise discourse among middle and junior managers, was suggestive of an increasing marginalization of trades unions in Japanese society.

Nevertheless this trend towards union marginalization was not absolute or unqualified in the organizations we visited, at least among the middle managerial ranks. Having encountered younger managers at EngCo and PrivatizedCo who were far from disposed to union membership, perhaps counter-intuitively, at the other companies managers sometimes expressed views that seemed, at least in principle, favourable towards unionism. Whilst there may have been an element of 'the grass is greener' to such sentiments, they still flew in the face of painting an unambiguously negative picture of unions. One young male manager at NTC suggested for example: "*Yes I know there is a lot of debate over whether unions are a good or bad thing. But I personally do not disagree with the idea of forming a union, for I can see lots of things in its* *favour. But the senior management here certainly does not like the idea and is very much against it, and so we keep pretty quiet".*

A young female manager at TechnoCo offered another interesting insight into the corporate politics of the union issue when suggesting: *"No I'm not against a union – in fact I can see some good reasons for having one. But I'm not sure this is the way the senior executives see it. Indeed some [employees] wanted a union here. But it was blocked by the company, and not only once".* Even at 'modern' RetailCo, a young manager suggested that he personally would like to join a union, but again felt constrained by the perceived adversarial stance of company. *"I can't really see why joining a union is such a bad idea, for it gives you a sense of security in what are insecure times. But I don't think there's any way that [RetailCo] will go for it – it's just not their way of doing business".*

Working Time. Previous studies of managerial employment in Japan have reported long working hours and increased work intensification – studies often noting extensive unpaid overtime and the blurring of work/non-work boundaries. In recent times this has been arguably exacerbated by the pervasive use of mobile devices for communication on work-related issues in non-work hours, a temporal issue that has largely gone unnoticed (and unrecorded) in large-scale employment surveys. It has also become an element of national public policy debate in Japan, particularly on the role of so called 'black companies' who are seen to cajole young employees into working lengthy periods of unpaid overtime.

Long working hours and the intensification of managerial workloads have also been linked to new organizational forms, and findings from our research offer support in this direction. Of the companies researched, the longest hours worked were reported by managers at

TechnoCo, a company where the head of HR spoke of a 'long hours culture' operating alongside that of a 'muscular' performance management system. When asked about the hours regularly worked by staff at TechnoCo a young manager suggested graphically: *"I sometimes find colleagues who are almost living in the firm"*. Similarly, a TechnoCo subsidiary President reported regularly working '10 until 10' and another young manager suggested he regularly 'started at 9 [a.m.] and left sometime between 7 and 12 [p.m.]'. Some operational areas, however, seemed to work longer hours than others, with managers suggesting that especially long hours were undertaken by engineers, who 'often work until 2 or 3[a.m.]'. Indeed, all the managers we spoke to at TechnoCo reported 'long' hours being worked, despite the official employment contract suggesting a working day of 10a.m. until 6 p.m.

It was also reported by managers at TechnoCo that such long working hours could serve to discriminate against women, and notably women managers who had children. Because of this a number had transferred from managerial to non-managerial grades. An issue here however was that whilst the level of pay was not significantly lower, there were potentially far fewer promotion prospects on offer if the individual ever sought a return to management. One female interviewee reported she had worked on the managerial track for ten years, but then had transferred to the non-management 'C grade', which she suggested was largely populated by 'mothers'. She reported that this had enabled her to work 'regular' hours, although she admitted wryly that she had only sought this move reluctantly, given the increasing pressure she was under in trying to balance work and domestic life: *"for I could no longer really fulfil the responsibilities of a manager"*. In a later interview with the same employee we were informed however that her working hours had slowly increased and she now found herself regularly working until 8 p.m. These questions of gender and equality are perhaps an important and relatively under-researched area for employment studies in Japan.

TechnoCo of course is a communications technology company and as such may be atypical in the length of its long working hours when compared to firms in other sectors. Indeed the head of HR suggested that '*burn-out through over-working is a particular problem in the Japanese ICT industry and at TechnoCo in particular*'. A woman manager at TechnoCo noted similarly: *"It's the IT industry. You are expected to work longer than in other industries … For example, the [TechnoCo] subsidiary I worked for previously was a start-up, and so the pressures were even greater"*. Furthermore, the workforce at TechnoCo tended to be on the younger side, and with many managerial staff who were not familiar for example with wider social commitments such as those associated with familial responsibilities. This could engender a situation where work assumed not so much a central as overriding position in a young manager's life. Aware of this dominancy of work and the need to express corporate loyalty in temporal terms one young male manager suggested cynically, *"TechnoCo's become my hobby – I've made my hobby my work"*. Arguably the flat structure and lack of seniority in promotion positions had encouraged an extremely competitive work situation in this firm, and possibly one that explained the very long hours being worked by many young managerial staff.

However, despite the possibly atypical nature of TechnoCo, relatively long working hours were reported at other companies we researched. A young male manager at NTC, who was married and had a small child, reported an official working day of 9 a.m. until 5.45 p.m., but suggested he regularly worked 'until 8 or 9 [p.m.], or later'. At EngCo, a woman manager in her early thirties, working for the automotive division, cited the extensive nature of her role load in reporting a particularly extreme example of working long hours: *"I am responsible for many,*

many things. And if I do a business trip then it is not always that enjoyable. Last Tuesday for example I worked until 7 in the morning, as we had the annual report to finish". Reflecting views expressed at other companies on the issue of balancing work and non-work demands, she went on to add the cautionary note that *"you can't get married and do the job – it's simply not possible in the longer-term: the demands are too great".* With this possibly in mind, our interview ended with her offering insights into the 'awful lifestyle' of a married managerial colleague, a close female friend who *"to keep her work and life in balance has to work late, then goes home and cooks, and then works in her house, cleaning and tidying, doing housework, until midnight ... sorry but to me that's not living".*

Discussion

The paper has presented data from a project evaluating the nature of contemporary managerial work in Japan in terms of how it has been affected by new forms of corporate structuring and recent changes to HRM practices. The main organizational and employment issues investigated have been job security levels, payment systems, promotion/career systems, trades union activities, and working time norms. Contextually, the study has considered the extent to which new competitive pressures have affected corporations in a coordinated business systems economy, and in the process sought to explain organizational outcomes emerging on the ground, notably in terms of the experience of managerial work.

Whereas earlier investigations have often researched established manufacturing organizations, this study has widened the empirical scope to include firms from the 'new' economy, specifically recently-founded high-technology companies plus, by way of further contrast, a retailer whose operations are characterized by 'non-regular' or 'non-standard' employment practices (Broschack et al., 2005; Keizer, 2008; 2009). Also, in the limited number of cases where the extant research has considered the impact of new organizational forms on managerial work, the focus has tended to be on consulting ‘experienced’ managers (Okabe, 2012). In the present research, however, the focus has been equally on those younger and/or less experienced managers who may hold significantly different views of work, employment and careers to their senior counterparts (Gifford, Mycock and Murakami, 2013).

The paper has been concerned, therefore, to evaluate the experience of managerial work in relation to new human resources practices and recent developments in organizational structuring, and centrally in light of a hypothesized convergence towards a generic and largely Westernized form of corporate management (Blahová, Haghirian and Pálka, 2015; Hassard, et al, 2009; Huo, Huang and Napier, 2002). In these respects, our data suggest there is a complex pattern of ‘continuity and change’ in the management of Japan’s large traditional manufacturing firms, while the growth of ‘new economy’ sectors has promoted innovative forms of organizational practice. Theoretically we suggest that Japanese firms are often operating on the basis of so-called ‘mixed models’ (Schiller, 2010), in order to address the specific opportunities and threats of their respective sectors, and notably in the case of firms operating in highly competitive and relatively deregulated markets. In this respect there is evidence of increasing ‘segmentation’ or ‘layering’ of the Japanese economy, and signally the sundering of a declining sector of firms holding to ‘traditional’ business values/practices from a ‘new’ sector where the organizational make-up is more varied (Aoki and Jackson, 2008; Sako, 2006). In this sense, our analysis echoes arguments developed in studies of economic development in other coordinated economies (Doellgast, 2012; Streek and Thelen, 2005).

Additionally, the study sets such structural/sectoral factors in the context of the human resources strategies and practices deployed by firms in which the inquiry was conducted. While, as we have documented, there are notable variations across firms and sectors in terms of how organizational policies and practices are experienced, this is not the whole story, for the sensemaking accounts of Japanese managers can also be seen as somewhat uniform in terms of careers and promotion prospects having become less secure and predictable. In some cases – particularly younger managers working in the 'new' economy – this has presented previously unforeseeable opportunities for promotion. Elsewhere, though, managers could be far less sanguine about new human resources practices and organizational policies emerging in their firms, or of changes in the economy more broadly.

Turning to methodology, the investigation supports the value of qualitative research for assessing evidence of managerial work amidst organizational and institutional change. Although we discuss institutional change as related to an ideal-type of 'coordinated' economy (Hall and Soskice, 2001; Whitley, 1999) – the national business system of Japan – we do so in terms of the latter providing a backdrop for understanding managerial actions and organizational practices as they are enacted *on the ground*. As such our grounded empirical findings are silhouetted against a backdrop that includes *inter alia* traditional characteristics of collaboration across industries, robust national business networks, and long-term employment strategies. In this sense, the analysis complements the work of Hotho (2014); who within the literature on coordinated institutional practices argues that there is little current understanding of how *individuals* within corporations create their reality. This is central to understanding developments such as those discussed here, since firms have a certain amount leeway, or strategic choice (Child, 1997), to circumvent national institutional constraints; for instance, by using foreign capital resources.

This paper therefore seeks to augment constructivist criticisms of the national business systems approach, and signally of its over-determinism, lack of agency, and inability to explain change as it unfolds practically. This applies not only to accounts of corporations themselves but also to those who manage and work within them (Delbridge et al., 2011; Morris et al., 2008).

Nevertheless, in following such an agenda it would be wrong to ignore implications for broader levels of organizational analysis. Thus, in this paper findings from micro- and meso-level analyses of managerial experience and organizational change are silhouetted against more macro-level economic and institutional concerns. The research thus offers a purposefully multi-layered form of analysis to explain, *inter alia*, how managerial experiences of the introduction of new organizational forms and HRM practices relate to the type of business system within which firms are operating; how wider international forces can put pressure on business systems to converge towards others, and how the organizational outcomes resulting from such interactions are not necessarily economically universalistic as rather more 'mixed' phenomena in this sense (Schiller, 2010). In stressing a degree of voluntarism in our analysis we thus suggest a role for the strategic choices that can be exercised by firms in their everyday business affairs. This submits tha**t** qualitative insights into managerial experience and organizational change should always be contextualized by awareness of the wider contingent effects of social, technical, economic and other environmental forces.

The core objective of this inquiry has indeed been to explain managerial work in the context of how Japanese companies have changed, are currently changing, or have refrained from changing their HRM practices and organizational forms. In the process we have provided empirical evidence directed at understanding contemporary management experience under such changing organizational structures and human resources practices. In sum, this has seen our micro-level data profiled against the backdrop of changes to the national business system of this coordinated-market economy, Japan. Thus if we return to issues discussed in our earlier review of the literature, and with regard specifically to organizational change, our broad findings suggest that new structural forms are certainly evident in Japanese firms, and that they are predominantly the result of increased international competition, changing product demands, and the reframing of traditional organizational boundaries. This is particularly so in relation to *keiretsu* or corporate group settings (Aoki and Wilhelm, 2017).

Indeed, within the firms visited in the course of this investigation, the influence of ‘new’ organizational forms can be interpreted in three broad ways: First, the old, large firms are increasingly introducing hybrid, neo-bureaucratic forms of operating, with modifications to established business practices, but with many traditional policies seemingly remaining intact. The major changes in these organizations have been in relation to re-ordering their boundaries along ‘choose and focus’ (Schaede, 2008) strategic lines – notably getting rid of loss-making divisions and making more use of profit centres. In particular, EngCo and PrivatizedCo rearranged their group companies along these lines, with among the motives for so doing being the protection of the corporate ‘core’ by separating it from the (often poorer performing) activities of the ‘periphery’. Second, there are those newer firms, such as NTC and TechnoCo, which in some respects resemble modern Western enterprises. They are characterised by having relatively flat hierarchies, promoting flexible structures, but also possessing organizational systems that differ from the Anglo-American model in important ways. In creating subsidiaries, for example, TechnoCo arranges them mainly to trial innovative products, while NTC to embrace M&A activities. And third of course there is the case of RetailCo, which appears the ‘outlier’ firm in our small sample: is it certainly the corporation nearest in character to the generic liberal-market model; for it deploys a dedicated franchise-based and highly outsource-oriented business model, one incorporating a characteristically Western approach to HRM.

Subsequently in addressing against this complex backdrop the varied implications of changing HRM practices for managers' working experience, narrative sensemaking on the ground does not necessarily relate to a simple 'reading-off' of expectations from the establishment of new organizational forms. In the case of managerial job security for example it might be expected that the newer companies would have dispensed with the traditional LTE system. However, both NTC and TechnoCo had to a large extent maintained it as part of a cultural response to Japanese expectations of what is a 'good employer'. Indeed, our research suggested that promoting the values of LTE is a valuable tactical device when attracting students from top Japanese universities to work for these firms. On remuneration, however, the firms diverge significantly, with interviewees explaining how older firms were retaining a seniority element in pay determination, while newer ones promoting more of a performance-related approach. The experience of promotion also differed, with this being characteristically slower at the older firms and sometimes very quick at the newer. This, in turn, had an influence on managerial attitudes to careers, with importantly young managers at all firms being more open to considering alternative employment prospects, a markedly different finding from many earlier studies. For Japan, this perhaps reflects related changes in social attitudes to work, employment practices, pressures on large firms, and the contemporary nature of labour markets, with such phenomena often being reflected in a sense of dissonance on the part of Japanese managers. Of the other issues researched, managerial attitudes to trade unions – at least among those of the younger managers – seemed at best ambivalent and at worst hostile, even at older companies, while long working hours remain a feature of managerial work in Japan, seemingly irrespective of firm.

Overall, therefore, our empirical research suggests that recent developments, notably in the post-global financial crisis period, appear to have eroded the privileged position of Japanese managers working in large traditional corporations in terms of their career and promotion prospects. While long-term employment remains important, there is also evidence of greater fluidity and insecurity in these management-level labour markets. Conversely, managers in the new economy firms are faced with greater flexibility and opportunities for rapid promotion, but at the expense of long working hours and reduced job security.

We would argue that our qualitative research approach adds insights into how best to postulate these empirical developments contextually. While a business systems theory explanation is useful as a starting point (Hall and Soskice, 2001; Whitley, 1999), it is arguably strengthened if modifications from neo-institutional research – such as notions reflecting fragmentation, segmentation and structural hybrids – are added to the argument, for the activities of different firms engender different interpretations on the ground among managers. While the type of business system is clearly important, and forces of competition have placed considerable pressures on coordinated business systems to converge to liberal Anglo-American ones, Japanese firms have maintained, in one form or another, many communitarian HR policies, such as lifetime employment for managers. Neo-institutional accounts, therefore, can provide an expanded analytical space for assessing system changes and especially for understanding corporate agency within this broader theoretical approach. Thus, while broadly there is evidence of hybrid (Japanese/Anglo-American) forms emerging – characteristic of fragmentation and segmentation – additionally a strategic choice argument may apply, with different firms considering and promoting different options. As noted, this argument is supportive of Hotho's (2014) proposition that, particularly in a context of changing institutional connections, there may not be a universal response to external changes, and such changes are not experienced uniformly by managers. Employment relations systems may be experienced in qualitatively differently ways given that firms have leeway in these respects. In a different context, Jacoby (2005) for example noted the firms in his US sample deployed very different employment strategies. This suggests substantial country-level sectoral diversity in response to 'semi-globalization' (Allen & Whitley, 2012). Thus while certain patterns do appear to have emerged – with organizational fields being determined at a national level but also contingent for example on firm age, type of industrial sector and mode of core technology – the findings from this study reinforce the need for more sensitive empirical research. In the present study this takes the form of essentially nuanced interpretations of how managerial work is influenced variously by developments linked to new organizational forms and changes to HRM systems.

Finally, we must stress that the justification for advancing a qualitative (over a quantitative) research approach has not been merely methodological. Rather we argue that a well-developed and deeply researched qualitative analysis can offer interpretations of the evidence that reflect greater 'meaning'. If we take for example a key HRM issue such as the persistence of the lifetime employment system, quantitative data might point to a hefty percentage of large Japanese companies persisting with the practice. However such evidence does not illustrate how the length of LTE is now much reduced in many Japanese corporations, a factor described in the qualitative data presented here. Additionally, generic quantitative evidence can fail to indicate how lifetime employment now applies to a far smaller percentage of the workforce, per employer, in Japan. Similarly, while there is quantitative evidence suggesting a large increase in Japanese companies' use of the (Western) practice of performance-related pay, this does not indicate how, pay-wise, this practice relates to a relatively minor percentage of overall remuneration, typically less than 5%, compared to up to 50% in the US (see Hassard et al, 2009). It can also be overlooked in the quantitative research literature how seniority pay practices persist strongly in Japan, with this massively overshadowing performance-related pay in terms of remuneration percentages. Thus, it can be argued that that a high percentage of Japanese companies have introduced performance-related pay, but as our qualitative analysis illustrates the degree of impact can be much overstated. In short, it can be argued that in the quantitative literature neither of these HRM trends is discussed that 'meaningfully' in evidential terms.

Conclusions

In conclusion, at a macro level this paper has addressed the debate in the organizational analysis literature concerning business systems theory and in particular the consequences of pressures to converge towards what could be described as generic, characteristically Anglo-American, strategic and structural forms. Subsequently, at micro and meso levels of analysis, our work has investigated the implications of these forces for the narrative perceptions of managers in the coordinated-market economy of Japan, and focally in relation to important changes to human resource management practices. Undertaking a qualitative study of managers working in five large Japanese organizations, we have investigated specifically the influence of such 'new' organizational forms and 'Westernised' HRM practices in terms of how they are made sense of and shape personal and organizational experience 'on the ground'.

Drawing information from managers across the range of professional experience, our findings suggest, at once, continuity of practice in firms of the 'established' economy, but also significant evidence of organizational innovation and change in those of the 'new'. The research indicates that while the traditional institutional framework in remains largely important for Japanese business there is also evidence of fragmentation and segmentation and in strategic, structural and procedural arrangements. On examining the relationship between HRM practices and managerial experience, we find a situation whereby – in contrast to the 'three pillars' tradition – managers are recurrently seeking to rationalize, for example, greater flexibility in pay systems, increased uncertainty over career and promotion prospects, and the continuing marginalization of trade union policies and practices.

Finally, we would argue that while these findings are important for our understanding of relations between managerial work, HRM practices and organizational forms, further research is required that examines these dynamics of 'continuity and change' in the context, for example, of gender and equality in Japanese employment and patterns of societal change in Japan more generally.

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Author biographies

Jonathan Morris is Professor of Organisational Analysis and Associate Dean for Research at Cardiff University's Business School. His research interests are primarily in the managerial implications of new organizational forms, the impact of neo-liberalism upon professional and creative work and management and organisation in east Asia. He has published eight books and over 80 articles on these themes, amongst others, in journals such as Organization Studies, the Journal of Management Studies, Human Relations, and Industrial Relations.

John Hassard is Professor of Organizational Analysis at Alliance Manchester Business School, University of Manchester. Previously he was Head of the Management School at Keele University, Visiting Fellow in Management Learning at Cambridge University and The Postdoctoral Fellow at London Business School. His research interests lie in organization theory, management history and industrial sociology, and he has published 20 books and over 100 articles on these subjects in journals such as Academy of Management Review, Human Relations, Organization Studies, Industrial Relations and the Journal of Management Studies,

Rick Delbridge is Professor of Organizational Analysis at Cardiff University's Business School where has been leading the development of the world's first Social Science Research Park (https://www.cardiff.ac.uk/social-science-research-park). His research interests include the organization and management of innovation and workplace relations and he has published widely on these and related issues. He has had editorial positions with Academy of Management Review, and Organization, and is the founding co-editor of JMSSays.

Takahiro Endo is Associate Professor at Hitotsubashi University's Business School (Tokyo). He has expertise in International and Comparative Labor, Human Resources, Collective Bargaining and is particularly interested in the 'ebb and flow' of management ideas and associated practices, especially ‘Japanese management'. He has published in journals such as Accounting, Organizations and Society, British Journal of Industrial Relations, International Journal of Human Resource Management, and International Journal of Management Reviews.