

**The Autonomy of the Working Individual  
-Can We Break the Mold of the Japanese “Company Man”?-**

**Executive Summary**

Against the background of an intensifying sense of deadlock generated by factors including an ongoing economic downturn, how should we change the way we work? This paper attempts to rethink work practices from the perspective of an autonomy which implies the ability of the individual to make choices based on his or her own judgment, and argues that it has become necessary, in view of social changes, to establish modes of working which eschew an older concept of autonomy and manifest this new autonomy. It also delineates policy agendas towards enabling these modes of working, based in part on the results of an independently conducted survey. Opinions are diverse concerning autonomy in relation to the working individual. In this report, specialists in fields including economics, management, and law offer a variety of perspectives on this subject.

**Preface      Why Focus on Autonomy Now?**

Motohiro Morishima, Professor of Human Resource Management,  
Graduate School of Commerce and Management,  
Hitotsubashi University

Japan’s previously functional employment system is approaching its limits against the background of new changes in the competitive environment. These changes may be indicated as follows:

- 1) Extreme fluctuations in circumstances cannot be dealt with on the basis of the commitment and flexibility of individual workers
- 2) Discontinuous innovation rather than incremental innovation is now required of companies
- 3) Organizations now require a small number of leaders and a large number of autonomous specialists in order to function
- 4) Changes are occurring in the attitudes of workers

These four changes necessitate new types of autonomy which differ from those of the

past. These may be termed autonomy *from* the organization and autonomy *in relationship with* the organization.

- **Autonomy from the organization** refers to the advancement by the working person of his or her own career development on the basis of individual judgment and responsibility, against the background of a decline in the incentive represented by long-term investment in the development of human resources by a company.

- **Autonomy in relationship with the organization** refers to the individual's becoming a resource able to contribute to the organization as a professional on the basis of the broad concept and vision of the organization as presented by the people at the top. A specialty which is able to be used in the external labor market and a strong commitment to the job are the conditions for being such a professional.

Of these two forms of autonomy, autonomy from the organization represents a movement away from the organization. However, this does not indicate anything concerning the mode of work towards which this movement tends. What lies beyond autonomy from the organization is autonomy in relationship with the organization. When the working person possesses both of these forms of autonomy, he or she is able for the first time to stand in a position of equality with the organization.

## **Section I Considering the Autonomy of the Working Individual**

### **Chapter 1 The Autonomy of the Working Individual**

The form of autonomy displayed by workers is influenced by the social environment and the employment system. Here, changes in the autonomy of the working individual will be considered using Albert O. Hirschman's concepts of "voice" and "exit." "Voice" refers to the working person's expression, within the organization, of his or her desire for an improvement in the working environment. "Exit" refers to changing jobs to find a better working environment.

- In the case of **autonomy in the period of high economic growth**, under Japan's postwar employment system, there was no need for working people to use "voice" and "exit."

- With regard to **autonomy in the low-growth period**, it became important for working people to utilize both "voice" and "exit" as methods of attaining the new attributes, skills and expertise which were required.

- New elements have been added to **today's forms of autonomy**, these being the norm of seeking personal enjoyment in working and of working with a diverse range of people who share the company's concepts and principles.

## **Chapter 2 Methods of Increasing the Autonomy of the Working Individual**

What type of support from the government and from companies is necessary to increase the autonomy of working people? A desire on the part of the working person to make him or herself autonomous is the prerequisite for autonomy. For people who possess this desire, it will be necessary to create mechanisms which link that desire to action. In the case of people in whom it is necessary to foster the desire for autonomy, what will be required is the creation of opportunities for changing their awareness.

- For **people who possess the desire to become autonomous**, it will be necessary to create opportunities to express their desire towards realizing their own careers in the workplace (“voice”) and mechanisms which ensure that an “exit” (quitting) when that “voice” is not heard is not disadvantageous. In specific terms, such measures as revising the severance pay and pension systems to prevent any disadvantage resulting from changing employment may be considered.
- There are two types of **people in whom it is necessary to foster the desire for autonomy**. For people who have been unable to let go of the form of autonomy which characterized the period of high economic growth and embrace the norms which promote a new autonomy, we should revise and make active use of public vocational training, and offer formal education in career planning. For students and others with no experience of employment, we should provide pre-employment education (career education) in order to encourage a focus on autonomy in working life from the stage of job-seeking.

## **Chapter 3 Consciousness of Self-determination in Working Life - Considerations based on the Results of a Questionnaire Survey of Full-time White Collar Workers-**

A survey of full-time white collar workers was conducted in order to gain an understanding of the actual status of autonomy among working people. For the purposes of the survey, autonomy was defined as a sense of self-determination, in that the individual was able to make decisions concerning his or her working life for him or herself. First, it was determined that there was no antagonism between the strength of an individual’s feeling of self-determination and the degree of that individual’s sense of communality (feeling of affinity with the organization and desire to contribute to the organization). Individuals were then divided into four groups based on the strength or weakness of their sense of self-determination and communality, and the results were analyzed in terms of their relationship to “voice” and “exit.”

- **Individuals who possess both a strong sense of self-determination and a strong**

**sense of communality** exercise their “voice” to make changes in the organization, and believe in their ability to “exit,” seeing their abilities as usable in another company. However, they do not necessarily have a strong desire to change employment.

- **Individuals possessing a weak sense of self-determination but a strong sense of communality** wish to contribute to the organization, but rarely actually exercise their “voice,” even when they believe that it would be to the organization’s benefit, and rate their ability to “exit” as low. This can be considered the classic type of the Japanese “company man.”

## **Section II Opinions regarding Autonomy**

**Professor Motoshige Itoh**, President of NIRA

Professor Itoh considers the question of how individual workers can display their autonomy in the workplace with reference to Albert O. Hirschman’s concepts of “voice” and “exit.”

- Workers are able to display their autonomy in the workplace by means of “voice,” demanding that the organization make improvements in relation to problems that exist in the organization, and “exit,” changing employment to seek a better working environment.
- The problem in Japan at present is that workers are not able to fully utilize the “exit” option. A poor external job market is one factor in the inability of the Japanese economy to respond rapidly to changes.

**Professor Hajime Ota**, Faculty of Policy Studies, Doshisha University

Professor Ota looks at the characteristics of Japanese companies and forms of autonomy from the perspective of human resources management.

- In Japanese companies, the degree of autonomy at the level of groups is high, as demonstrated by QC groups. However, this results in a trade-off, in that the high level of group autonomy restricts individual autonomy.
- One reason that performance-based systems do not produce the expected outcomes is the lack of clarity regarding individual duties in Japanese companies (vagueness regarding allocation of jobs and scope of responsibility).

**Professor Toshihiro Kanai**, Graduate School of Business Administration, Kobe University

Professor Kanai discusses the relationship between working in an organization and the autonomy of the working individual.

- Whether autonomous actions on the part of employees are of benefit to the organization or are simply self-indulgent is dependent upon whether the employees share the organization’s principles and values and have solid bonds with the

organization.

- In order to realize a meaningful way of working, the individual must possess both the desire to maximize his or her own specialization and a desire to contribute to the group.

**Professor Yasuo Suwa**, Graduate School of Regional Policy Design, Hosei University  
Professor Suwa discusses the image of the autonomously functioning worker from the legal studies perspective.

- The market economy is predicated on the concept of autonomous individuals considered as decision-making entities. The parties engaged in establishing a contract must possess the autonomy to enable them to judge their own interests and make decisions on that basis.
- On the other hand, labor law positions the worker as an entity that should be protected, having less bargaining power than the employer. However, in an era in which the worker's intellectual enterprise forms the foundation of the economy, this image of the worker requires a certain amount of correction.

**Professor Michio Nitta**, Institute of Social Science, University of Tokyo (At time of writing), Faculty of Business, Kokushikan University (At present)

Professor Nitta examines the concept of the autonomy of the worker from the perspective of the relationship between the individual worker and labor unions.

- The union movement has always emphasized the collectivity of workers, and is incompatible with the concept of the autonomy of the individual. The union system which developed in postwar Japan, however, was directed towards productivity; workers shared the management standard of increasing productivity, and the unions themselves would accept a certain level of difference between workers' wages.
- Human resources management (HRM), a method developed for the management of white collar personnel assumed to be non-unionized, seeks to actively make use of individual autonomy.

**Professor Motohiro Morishima**, Graduate School of Commerce and Management, Hitotsubashi University

Professor Morishima considers what will be necessary for workers in the future against the background of social and economic change, with "autonomy" as the keyword.

- It is very possible that in the future Japanese companies will clearly reflect in their human resources management systems their desire to smoothly adjust the size of their workforces, even under current strict employment regulations which make it difficult to terminate employment.
- Autonomous career formation, the independent development of their own specialization, and the creation of skills and expertise in a form that is matched to the

market, is a measure by means of which workers are able to respond to the risk of loss of employment.

**Professor Mitsuo Ishida**, Faculty of Social Studies, Doshisha University

Professor Ishida indicates the necessity of reconsidering labor-management consultation as a site in which to utilize worker autonomy.

- Because Japanese workers do not possess bargaining power based on the ability to change jobs, it is difficult for them to raise objections to the targets for achievement set by management or their own employment environment.
- More active discussion of employment rules between workers and employers is desirable in order to enable Japanese employees to engage in work autonomously even under the present conditions. It will be necessary to reconsider the significance of the system of labor-management consultation which Japan has fostered over an extended period.

\*Section II is made up of NIRA Policy Review No. 49 and transcripts of interviews conducted in the course of this research project.

NIRA Report

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The Japanese version of the full report: <http://www.nira.or.jp/pdf/1201report.pdf>

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