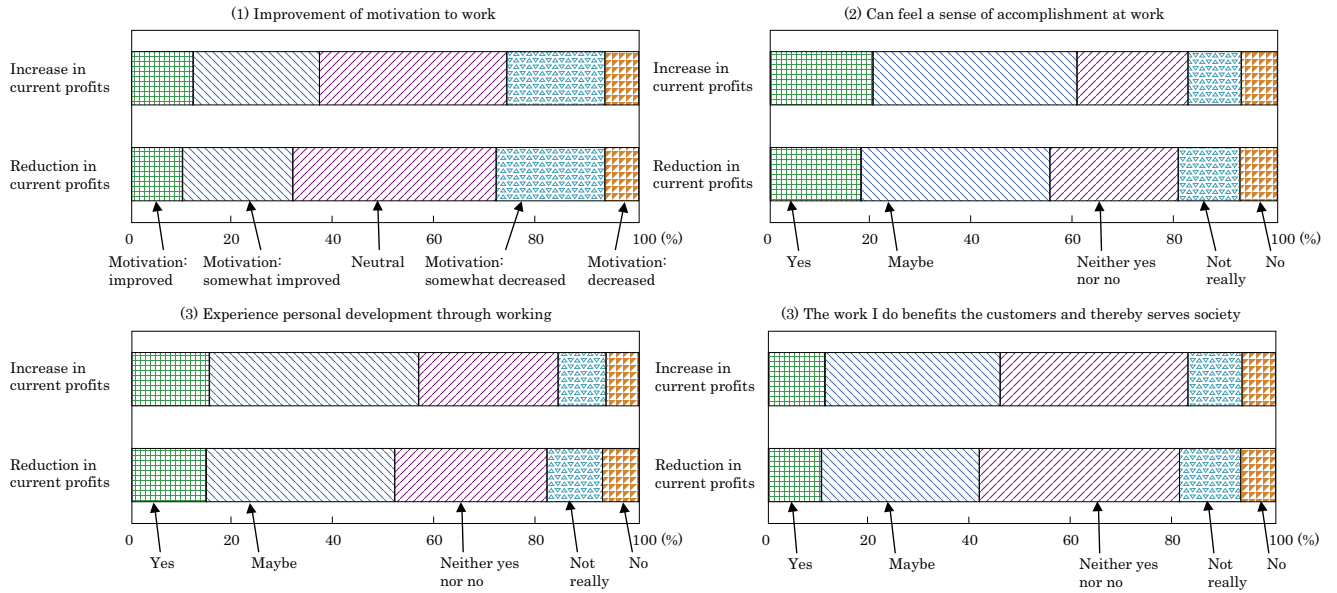


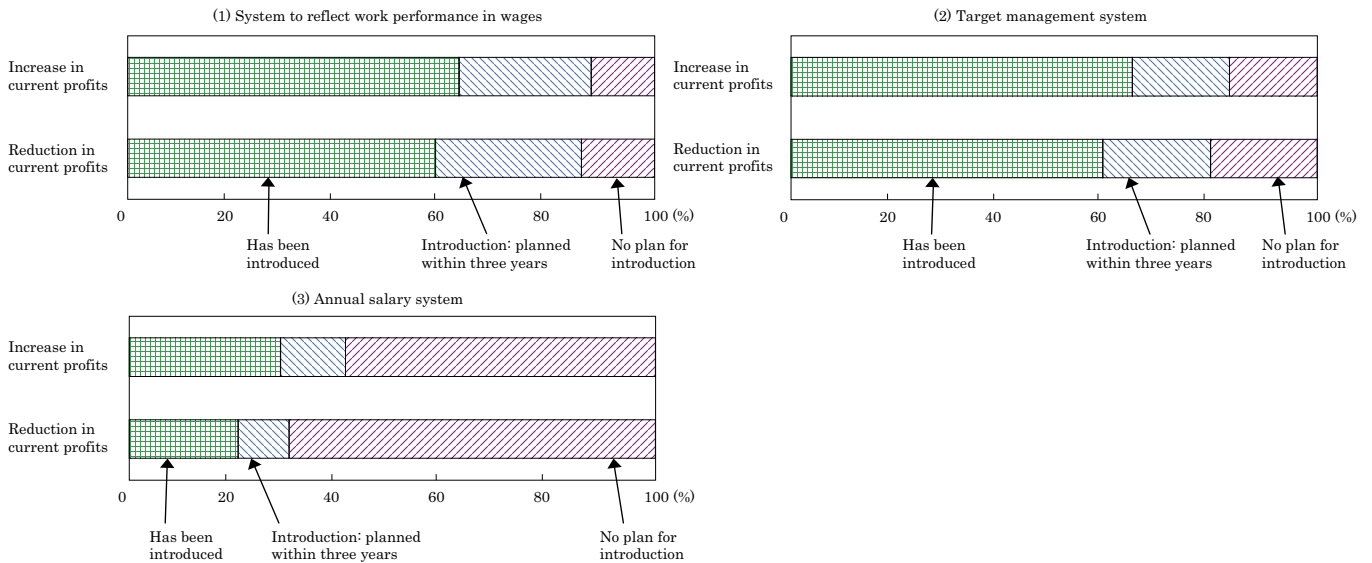
Figure 35 Corporate Performances and Motivation of Employees



Source: Specially calculated by MHLW, using the Japan Institute for Labour Policy and Training "Survey on Employees' Willingness to Work and Employment Management (Survey on Corporations, Survey on Workers)" (2004)

Note: 1) "Increase in current profits" refers to the corporations whose current profits has increased from three years ago. "Reduction in current profits" refers to the corporations whose current profits has decreased from three years ago.  
2) Motivation for work is a change from three years ago

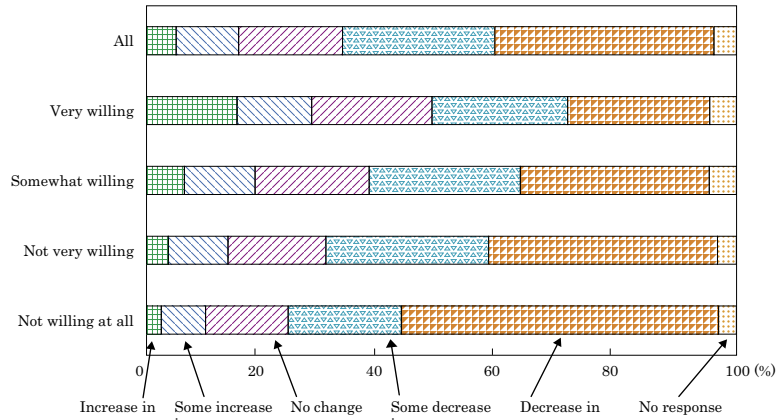
Figure 36 Implementation of Wage and Treatment System and Corporate Performance



Source: Specially calculated by the Office of Counselor in charge of Labour Policy, MHLW, using the Japan Institute for Labour Policy and Training "Survey on Employees' Willingness to Work and Employment Management (Survey on Corporations)" (2004)

Note: "Increase in current profits" refers to the corporations whose current profits has increased from three years ago. "Reduction in current profits" refers to the corporations whose current profits has reduced from three years ago.

Figure 37 Sales according to the Degree of Willingness to Conduct Capability Development



Source: the Japan Institute of Labor "A Report on Recruitment Strategy and Human Resources in Need" (2003)

### **Efforts of corporations to improve the work environment and corporate performance**

The percentage of implementation of the discretionary work system, flexible working hours system, short-time working hours system and variable working hours system is higher in corporations which have improved business performance in the previous three years compared with those which have decreased performance (Figure 38). Moreover, as far as the work-life balance system is concerned, a higher rate is observed in companies which adopt systems concerning working styles, for example, in the following forms: nursing care leave system for more than three months; child-care or nursing care support systems such as the reemployment system of those who have withdrawn from the labour force for child-care or nursing care reasons; employee status change system from non-regular to regular employee status or vice versa, reemployment of retired workers under the age limit, and the extension of retirement age to 60 years or over.

Corporations tend to believe that some of the work-life balance systems in particular are difficult to apply since they are thought of as increasing costs. However, the business performance of corporations that have actually adopted the systems have not necessarily been affected by performance loss. Therefore, it seems possible to achieve a balance between such measures and corporate performance (Figure 39).

### **Employment policies and corporate performance**

Due to the prolonged economic recession and intensifying international competition, the business environment has been severe and it has become an important issue for companies to improve motivation of employees and utilize their abilities in order to add value to their products and services. As a change in the employment management system of a company, there is movement to reduce the incidence of seniority-based components in the wage and treatment system and to shift the emphasis more to capacity and performance, while basically maintaining long-term employment. The percentage of judging increase in labour productivity of the corporations that have been promoting such measures tends to be higher than other companies in the same industry.

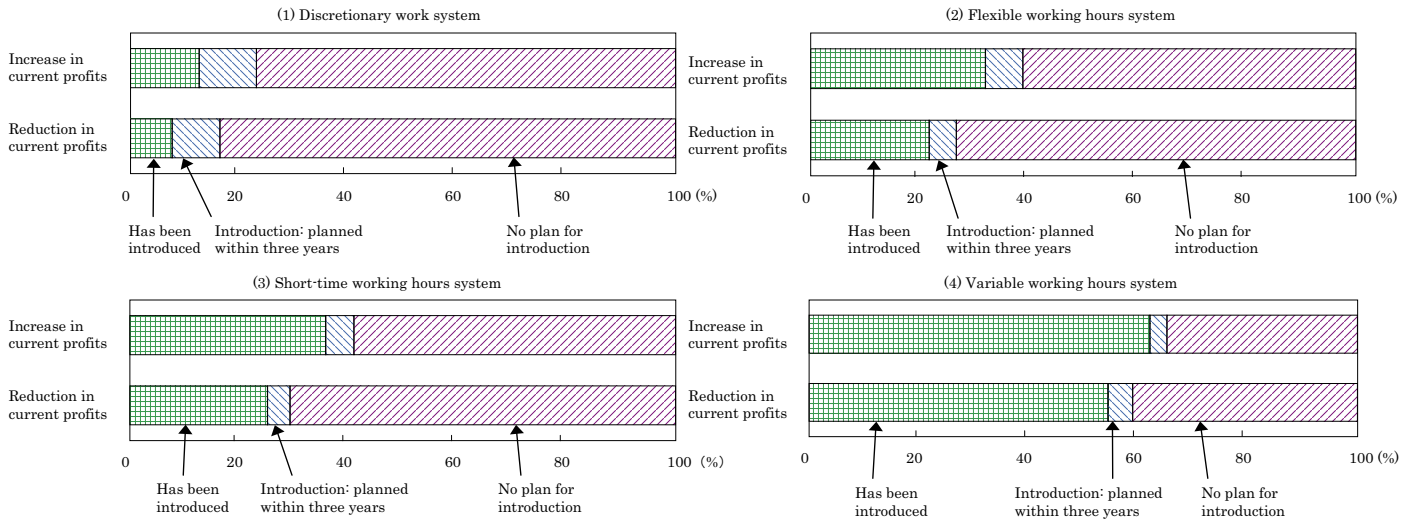
### **Trends in recruitment and corporate performance**

When looking at the relationship between recruitment policies and corporate performance, the companies that place emphasis on recruiting new graduates tend to have higher current profits than other companies, among which those companies that emphasize in-house training have a particularly high level of current profits. A similar tendency is also evidenced in the case of mid-career recruitment, though the magnitude is slightly smaller (Figure 40).

Companies with a long-term employment policy emphasize the long-term development of human resource development, while continuing to recruit new graduates. On the other hand, it is expected that mid-career recruitment will also expand along with the recruitment of new graduates, since corporate managers are increasingly in need of workers with adaptable ability.

In order to promote corporate activities and improve performance in the future, it seems important to tap the full ability of employees, by trying to implement a comprehensive human resource development program through appropriate allocation of both new graduates and mid-career recruits within the company.

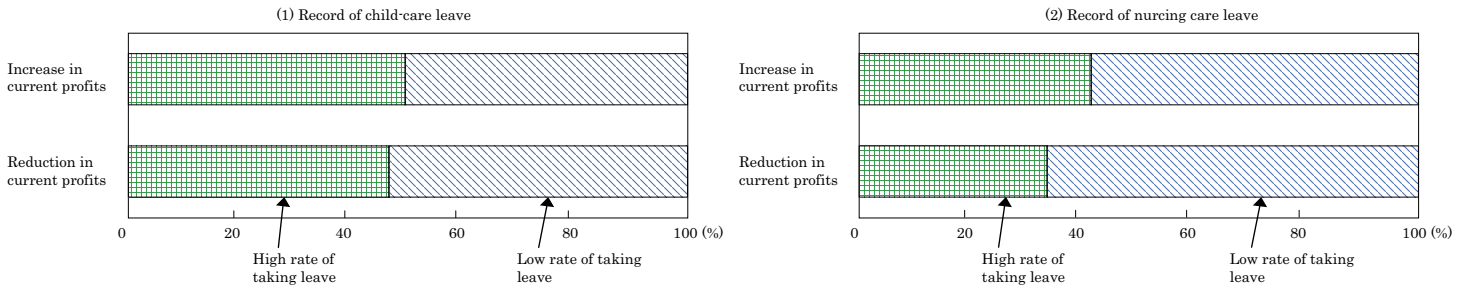
Figure 38 Implementation of Working Hours Systems and Corporate Performance



Source: Specially calculated by the Office of Counselor in charge of Labour Policy, MHLW, using the Japan Institute for Labour Policy and Training "Survey on Employees' Willingness to Work and Employment Management (Survey on Corporations)" (2004)

Note: "Increase in current profits" refers to the corporations whose current profits has increased from three years ago. "Reduction in current profits" refers to the corporations whose current profits has reduced from three years ago.

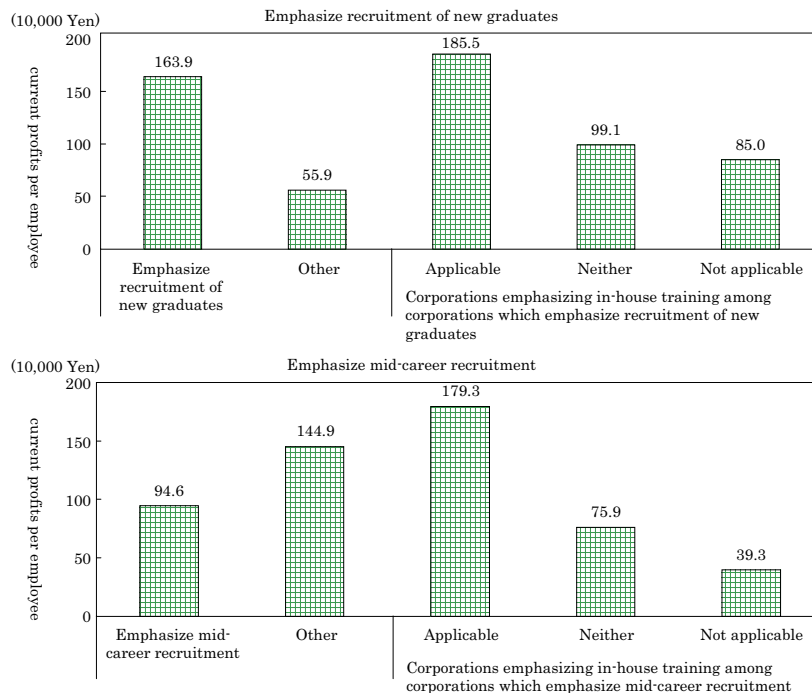
Figure 39 Use of Leave Systems and Corporate Performance



Source: Estimated by the Office of Counselor in charge of Labour Policy, MHLW, using TOYO KEIZAI INC. "Survey on Corporate Social Responsibility in Employment" (2003), and Development Bank of Japan "Industrial Financial Indicators"

Note: 1) The user record of maternity leave and child-care leave is based on the calculation of the percentage of takers of leave among married female employees, and the companies whose records are higher than the median value are classified as "high rate of taking leave", and those with lower than the median vales are classified as "low rate of taking leave"  
 2) In the record of nurcing care leave, corporations which record use of nurcing care leave are categorized as "high rate of taking leave" and those without any record as "low rate of taking leave"  
 3) "Increase in current profits" refers to the corporations whose current profits (FY 2002) has increased from three years ago (FY 1999). "Reduction in current profits" refers to the corporations whose current profits has reduced from three years ago.  
 4) Respondents are 515 companies including unlisted companies  
 5) Financial data on independent settlement accounts are used

Figure 40 Recruitment Policies and Corporate Performance



Source: Specially calculated by the Office of Counselor in charge of Labour Policy, MHLW, using the Japan Institute for Labour Policy and Training "Survey on Employees' Willingness to Work and Employment Management (survey on corporations)" (2004)

### **Section 3 Economic and Social Changes and Improvement of Quality Employment Responding to Subsequent Changes in Workers**

Personnel cutbacks to increase labour productivity growth will not achieve a sustainable increase in productivity. It is important to enhance the industrial structure and increase the productivity of society and the economy as a whole through management efficiency improvements and human resources development.

For successful human resources development, companies should hire new graduates every year and hand down accumulated knowledge and skills to them through in-house training and educational programs in order to foster future core workers. Measures to promote stable employment of young workers are especially needed. More job opportunities should be given to them to develop skills and enthusiasm for work. It would be also useful to provide them with opportunities to develop professionalism, work for companies on a trial basis, receive job training, and take counseling to ensure a proper career choice.

Furthermore, more support should be given to workers to change jobs so that they can make better use of their skills accumulated through previous work experience. Such job change would help workers reignite enthusiasm. It is also important to give workers opportunities to reevaluate their job skills accumulated through previous work experience and to engage in work where they can make better use of their skills..

#### **Labour Transition and Labour Productivity**

According to an analysis of the growth rate of labour productivity, each industry has seen its productivity grow more slowly during and after the 1990s than during the 1980s. The slowdown is attributable to the changing proportion of each industry's employment to the total employment especially since the mid 1990s (Figure 41). Such change was a result of the labour transition caused by workers who lost their jobs in industries enjoying relatively high productivity growth rates and then found new jobs mostly in the service industry, which was growing relatively slowly in terms of productivity but was offering many employment opportunities despite the severe employment situation.

The growth rate of TFP (Total Factor Productivity), which shows the efficiency of technical innovation and business management, has been decreasing in recent years. In order to change this trend, the long-term continuous rise of labour productivity must be realized not through personnel reduction but through increased productivity of the economy and society as a whole. For such an increase, efforts must be made to promote technical innovation, improve management efficiency, and enhance workers' job skills.

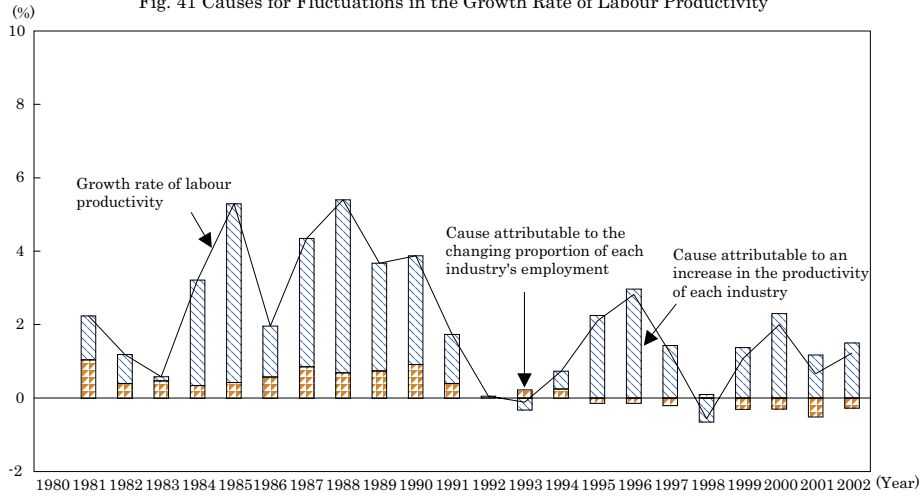
#### **Salary Change and Separation Period in Connection with Labour Turnover**

In general, a worker who changed job in or after 1997 tends to see his or her salary decrease because of the worsening employment situation since 1997. If he or she is in the 25-34, 35-44, or 45-54 age bracket, considered to be the most productive years in working life, he or she is likely to suffer a greater salary cut than a person in any other age bracket. If he or she finds a new job in the same industry, he or she is likely to enjoy a greater salary increase (or suffered a smaller decline during the period from 1999 through 2002) than a person who finds a new job in a different industry. Similarly, if he or she finds a new job in the same occupation, he or she is likely to enjoy a greater salary increase (or suffered a smaller decline during the period from 1999 through 2002) than a person who finds a new job in a different occupation (Figure 42).

Furthermore, the periods between jobs (period of separation) increased in length during the 1990s. On average, the period of separation is shorter if a person can find a new job in the same industry than the period that he or she would take to find a new job in a different industry. Similarly, the period of separation is shorter if a person can find a new job in the same occupation than the period that he or she would take to find a new job in a different occupation (Figure 43).

The above data shows that it is easier for a job seeker to find a new job in the same industry (same occupation) than find a new job in a different industry (different occupation). Such job change is not only easier but also desirable because that person is more likely to use his or her accumulated knowledge and skills at the new workplace and to enjoy a pay raise that would encourage him or her to work even harder. In reality, however, most career changes of workers in their most productive years in working lives, etc. do not show such a desirable pattern.

Fig. 41 Causes for Fluctuations in the Growth Rate of Labour Productivity



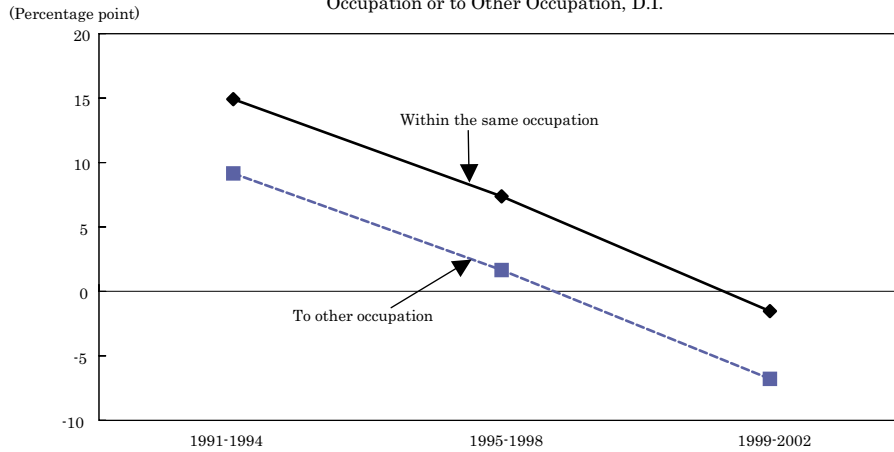
Source: Estimated by the Office of Counselor in charge of Labour Policy, MHLW based on the "National Accounts" issued by the Cabinet Office

Note: The following formula was used to analyze the causes of fluctuations in the growth rate of labour productivity.

$$\frac{\Delta P}{P} = \underbrace{\frac{1}{P} \sum (P_i + \frac{1}{2} \Delta P_i) \Delta S_i}_{\text{Cause attributable to the changing proportion of each industry's employment}} + \underbrace{\frac{1}{P} \sum (S_i + \frac{1}{2} \Delta S_i) \Delta P_i}_{\text{Cause attributable to an increase in the productivity of each industry}}$$

P: Labour productivity (P=Y/L), Y: Real GDP (Y= Yi), L: Number of employed persons (L= Li),  
 Pi=Yi/Li, Si=L<sub>i</sub>/L, i: The industrial classification

Fig. 42 Salary Increase or Decrease after Job Changes Within the Same Occupation or to Other Occupation, D.I.

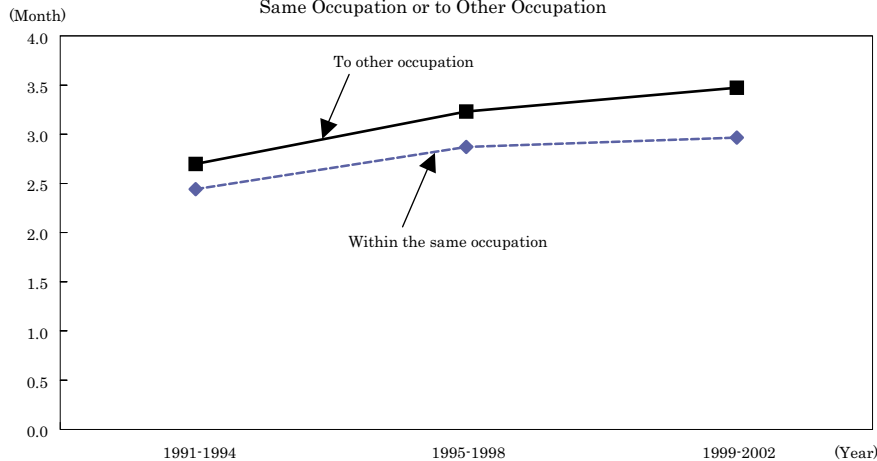


Source: Separately calculated by the Office of Counselor in charge of Labour Policy, MHLW based on the "Survey on Employment Trends" issued by MHLW

Notes: 1) D.I.= ("Increased by 30% or more" + "Increased by 10% or more but less than 30%") ("Decreased by 10% or more but less than 30%" + "Decreased by 30% or more")

2) Any workers whose salary increase or decrease was unknown were excluded from the calculation.

Fig. 43 Average Period of Separation in the Case of Job Changes Within the Same Occupation or to Other Occupation



Source: Separately calculated by the Office of Counselor in charge of Labour Policy, MHLW based on the "Survey on Employment Trends" issued by MHLW

Notes: 1) The average period of separation was deemed to be 0.25 month if the real jobless period was less than 15 days, to be 0.75 month if the real jobless period was 15 days to less than 1 month, to be 2.0 months if the real jobless period was 1 month to less than 3 months, to be 4.5 months if the real jobless period was 3 months to less than 6 months, to be 9.0 months if the real jobless period was 6 months to less than 12 months.

2) Any workers whose jobless periods were unknown were excluded from the calculation.

### **Labour Turnover and Unemployment Problems**

According to the estimation of the frequency and duration of unemployment, both frequency and duration have been on the rise in general. This trend can be seen in both men and women. A detailed analysis shows that women suffer unemployment more frequently than men, while men tend to remain unemployed longer than women, indicating it is more difficult for men to find a new job (Figure 44). Middle aged worker, in particular, men have the most urgent need to work. While their frequency of unemployment is low but their duration of unemployment is long, because a large number of them work in the manufacturing industry and the construction industry, in both of which the number of workers has been on the decline. So once a middle-aged man loses a job, they have great difficulty in finding a new job.

According to a study on the number of workers who entered and left the manufacturing industry and the service industry respectively, the following patterns are seen from a long-term perspective. The number of new graduates who enter the manufacturing industry has been slightly decreasing, while the number of other workers who enter the manufacturing industry has edged up. On the other hand, the number of new graduates who enter the service industry has remained almost the same as in previous years, while the number of other workers who enter the service industry has jumped (Figure 45). Some people are worried about the decrease in the number of new graduates entering the companies, saying that the employees have become unbalanced in terms of age distribution and that companies will not have enough core employees in the future.

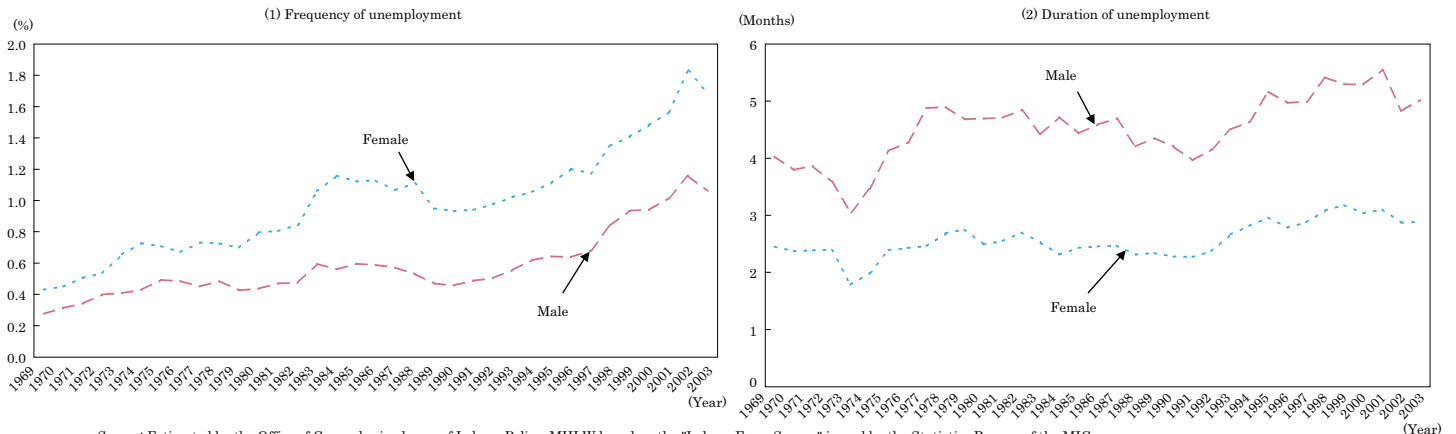
For the enhancement of the industrial structure, it is important for companies to hire new graduates continuously so that job skills are handed down to younger generations in the companies in an attempt to foster future core employees. The key to successful job change of middle-aged workers is to find a new workplace where they can use their accumulated job skills. In order to help them find such workplace, the government needs to accurately measure the skills of middle-aged job seekers and to introduce and develop appropriate jobs for them. Companies also need to make efforts to use workers' abilities, while taking necessary measures required by the changes in the industrial structure. It is a responsibility of society as a whole to devise a system that allows middle-aged workers to make full use of their job skills.

### **Issues Regarding Young Workers**

Young workers are facing a severe employment situation amid the prolonged economic slump which prompted companies to cut new hiring and seek experienced mid-career workers. Also lack of a lifestyle which is essential for a success social and working life and lack of enthusiasm for work are pointed out as young workers' problem. According to the estimation conducted in the same manner as that carried out for the "White Paper on the Labour Economy 2003", the number of "freeters" (referring to young part-timers, etc.) was 2.17 million in 2003 (Figure 46). According to a breakdown of the not in labour force population, the number of graduate, single, and not engaged in work in the age bracket of 15 to 34 who were neither keeping house nor attending school was 520,000 in 2003.

The issues about young worker are more than their personal problems. Those issues pose a serious threat to the maintenance and development of the economy and society. Japanese people in various sectors need to notice the existence of these issues and deepen their understanding about them. In order to encourage young people to pursue careers, it is important to give them more opportunities to work so that they can discover the meaning and joy of working and gain a sense of fulfillment from working. Some young people lack enthusiasm for work and have undesirable lifestyles. For such people, the first step would be to develop self-confidence and motivation for work. The government should take the most suitable measures to support them on a case-by-case basis.

Fig. 44 Trends in the Frequency and Duration of Unemployment



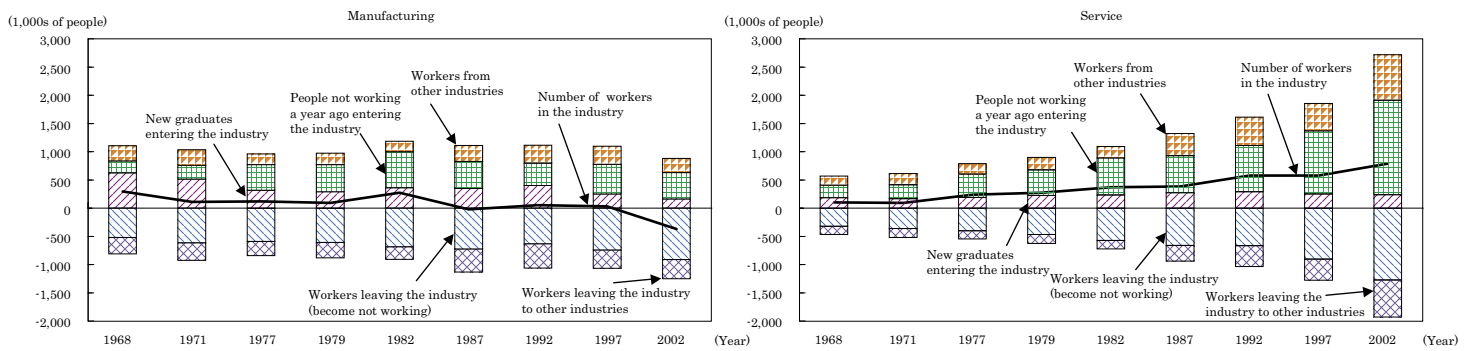
Source: Estimated by the Office of Counselor in charge of Labour Policy, MHLW based on the "Labour Force Survey" issued by the Statistics Bureau of the MIC

Notes: 1) Frequency of unemployment = Monthly number of unemployment / Labour force population

Duration of unemployment = Number of months between start and end of unemployment.

2) The above estimation was made based on the flow data, to which necessary adjustments were made by the Office of Counselor in charge of Labour Policy,

Fig. 45 Numbers of Workers Who Entered and Left the Industry



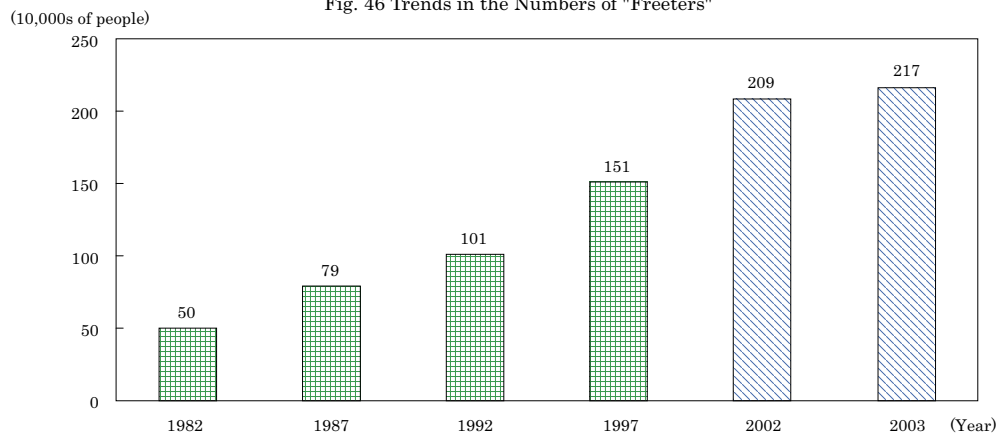
Source: The above data was estimated by the Office of Counselor in charge of Labour Policy, MHLW based on the "Employment Status Survey" issued by the Statistics Bureau of the MIC and the "Formal Education-School Statistics" issued by the Ministry of Education, Culture, Sports, Science and Technology. The data of the Employment Status Survey of 2002 was specially calculated by the Office of Counselor in charge of Labour Policy, MHLW.

Notes: 1) The above graphs show the breakdown of increases or decreases in the number of workers since the previous year.

2) The data about the service industry in 2002 is the sum of workers (excluding new graduates) entering the eating and drinking places, accommodations, medical, health care and welfare, education, learning support, compound services, and services (not elsewhere classified).

3) The number of people not working a year ago entering the industry does not include new graduates entering the industry.

Fig. 46 Trends in the Numbers of "Freeters"



Source: The figures for 1982, 1987, 1992, 1997, and 2002 were cited from the "White Paper on the Labour Economy 2003." The figure for 2003 was specially calculated by the Office of Counselor in charge of Labour Policy, MHLW based on the "Labour Force Survey (Detailed)" issued by the Statistics Bureau of the MIC.

Notes: 1) The numbers of "freeters" in 1982, 1987, 1992, and 1997 was calculated based on the following definition.

The term "freeter" refers to a person in the age bracket of 15 to 34 and (1) who is currently employed and called "arbeits" (temporary worker) or "part-time worker" at the workplace, or who is a male worker working for 1 year and more but less than 5 years or who is a single female worker primarily engaged in work or (2) who is not engaged in work and neither keeping house nor attending school and desirous of taking an "arbeits" (temporary) job or a part-time job.

2) The number of "freeters" in 2002 and 2003 was calculated based on the following definition of "freeter."

The term "freeter" refers to a worker who is a graduate in the age bracket of 15 to 34, clearly excluding students, and who is single in the case of a female and (1) who is currently employed and called "arbeits" (temporary worker) or "part-time worker" in the workplace or (2) who is not engaged in work and neither keeping house nor attending school and desirous of taking an "arbeits" (temporary) job or a part-time job.

3) Please note that the data from 1982 through 1997 and the data from 2002 through 2003 lack continuity due to the change in the definition of "freeter", etc.

## Chapter 3 Conclusions

In the industrial society characterized by mass-production and mass-consumption, a large number of standardized work force and large-scale production facilities were used to produce wealth. As the society has matured, however, customized goods and services that meet individuals' needs have higher value than mass-produced goods. The creation of such value depends on workers' job skills and abilities.

In a mature society, diverse talents and abilities of workers should be used and developed to create higher values through economic activities. It is also important to provide them with improving quality of employment they can be enthusiastic about. Fulfilled workers would also be eager to increase their creativity to produce value-added goods and services. Such workers would enhance the industrial structure and add higher value to goods and services and would thereby further develop the Japanese economy. The following goals must be attained in order for workers to live better lives by improving quality of employment: (1) Development of job skills for the enhancement of the industrial structure and the production of high value-added goods and services, (2) Development of workers' enthusiasm for work, and (3) Creation of a society where workers enthusiastically make full use of their skills and abilities.

### **Maturing Japanese Economy and the Meaning of Work**

The Japanese economy has entered a phase of recovery thanks to an increase in exports. The recovery is expected to be felt in the employment sector and the household sector from here on. In the past, Japan pursued an increase in GDP and a quantitative increase in employment. Such economic policy is no longer sufficient for Japanese people to live fulfilling lives because they live in a new world completely different from the old one both socially and economically.

Rapid economic growth left Japanese people materially satisfied but spiritually unsatisfied. When the economy reached the phase of maturity, they started seeking spiritual satisfaction. Such satisfaction cannot be obtained in an industrial society developed during a period of high economic growth where standardized faceless workers massproduce products in large-scale production facilities for massconsumption. In a more mature society like ours, however, more customized goods and services that meet the diverse needs of individuals are much more valuable than mass-produced products. The creation of such value depends solely on workers' job skills and abilities.

In a mature society, high value-added goods and services are created through full use of various skills and abilities of workers. To encourage workers to develop enthusiasm for work and abilities to create value-added goods and services through their work, it is very important to provide them with job opportunities to do more challenging and fulfilling work.

### **Social and Economic Changes and Enhancement of Quality of Employment**

Japan has undergone significant changes both socially and economically. For example, innovation of telecommunications technology and globalization of the economy allowed companies to produce products overseas. Consumers' needs diversified as their income levels rose. Moreover, types of jobs are also changing to meet the demand for high value-added goods and services.

Against this backdrop, the diversification of employment management styles and work styles has caused many changes in the employment situation. Have these changes encouraged workers to fully use their enthusiasm and abilities? In this White Paper on the Labour Economy 2004, we regard that contents of job, working conditions, and personnel management styles as the quality of employment, then we evaluated changes in the employment situation and identified employment-related issues.



Social and economic changes have had a great effect on the quality of employment. The real hourly wage has tended to decline in recent years influenced by ever-intensifying international competition. Employment in the service sector has been growing. The wage has steadily increased in the professional service sector, while that of the social insurance and welfare sector has decreased. The wage dispersion and the households income dispersion have been gradually expanding. The proportions of workers whose working hours are long and those whose working hours are short have been on the rise. Male workers in their late 20s to 40s, the most productive years in working life, tend to bear a severe work load due partly to personnel reduction. As a result, the proportion of workers who feel fatigue and stress has been increasing. Naturally, the level of job satisfaction of workers has been on the decline trend.

In consideration of this situation, we need to improve the quality of employment as soon as possible. In this White Paper, we studied the improvement of quality of employment from the two points of view. Firstly, workers must be given opportunities to create high value-added goods and services for the enhancement of the industrial structure. Secondly, workers must be given opportunities to do fulfilling and challenging work corresponding changing awareness of workers on the work. We conclude that each worker is requested to fully use his or her abilities in the future society. It is therefore important to improve the quality of employment. We also conclude that the above-mentioned two viewpoints complement each other and both need to be met.

For further development of the Japanese economy, enhancement of the industrial structure and the creation of high value-added goods and services are urgent tasks to tackle. Those tasks cannot be carried out without workers who can fully use their creativity and adapt to the changing economic environment. Each worker is expected to make full use of his or her abilities and to enthusiastically do his or her work.

### **Measures to Realize the Enriched Life through the Improvement of Quality of Employment**

More effective measures should be taken by entities at different levels such as companies, workers, and the society as a whole from the following three perspectives in order to realize the enriched life through the improvement of quality of employment.

#### **(1) Development of Human Resources for the Enhancement of the Industrial Structure and the Creation of High Value-added Goods and Services**

For the enhancement of the industrial structure and the creation of high value-added goods and services, workers are expected to have the ability to create such goods and services. Therefore, workers need to develop and use their human resources much more than ever before.

The development of human resources requires long-term continuous training. If companies expect workers to achieve the result within an unreasonably short period of time and continue to obtain human resource simply from outside, it is not possible to accumulate human resources in Japan. The Japanese corporate tradition of training young workers in-house from a long-term perspective and use the in-house training system to change the industrial structure must be considered important. The long-term employment system helps workers to develop human resources through continuous ability evaluations and training. Japanese companies should continue to make good use of the benefit of the long-term employment system.

Recently, it has been pointed out that non-regular workers, who are increasing in number due to the on-going diversification of employment types, have fewer opportunities to develop abilities in comparison with regular workers. As the employment types have diversified, job training should also be given in a more flexible manner so that company workers can maintain motivation to keep working regardless of their employment status. In this way, different types of skilled workers should be nurtured in the society.

Workers also need to take the initiative in mapping out their long-term working lives and also in developing necessary human resources.

These workers with human resource will increase in number in companies and also in society. They are expected to create much-needed new industries in Japan. We need to establish a desirable cycle of nurturing highly skilled workers, who will contribute to the creation of new industries, in which highly skilled workers will be fostered. The government must establish a strategic vision about the fields where technical innovations are expected and also about the types of workers and skills necessary in the future. Such vision must be created based on a technology forecast in collaboration with experts and people concerned. Based on this vision, the government should promote human resources development through measures to support companies' and workers' efforts.

## **(2) Measures to Develop Workers' Motivation for Work**

Workers can fully use their job abilities when they are enthusiastic about their work. It is therefore important to develop workers' motivation in order for companies to make full use of their abilities for better results. In a mature society, each worker is encouraged to use his or her unique talents and abilities and to contribute to the creation of higher values in order to develop the society and economy.

Among the diversification of employment types, both the number of jobs that require expertise and special skills and the number of jobs that consist of standardized and repetitious tasks are on the rise and the dispersion of wage has been expanding simultaneously. In general, in order to creating market values increases efficiently, it is inevitable to some extent that the division of labour continues. It has been pointed out that the division of labour would lower workers' motivation for work. We should celebrate the diversity in workers' talents and let them play a vital part in creating values in a mature society. For this to become a reality, it is very important to respect differences in individuals' talents and accept the diversification of values. Ideally, each worker should determine the way in which he or she can make best use of his or her talents and abilities. It should not be limited to engaging in efficient economic activities where expertise is crucial. He or she may choose to work in a service industry where face-to-face customer service is important or other industries such as a cultural industry where sensitivity is essential or a traditional industry where a passion for the preservation of local history is indispensable.

Companies should, as a part of their personnel management strategies, devise and implement a fair and convincing wage and treatment systems that reward workers' motivation and efforts for work. Companies also need to establish a flexible hours worked system in order to create a work environment where each worker can make full use of his or her human resources without sacrificing his or her way of living and working. Furthermore, companies must continuously have close communication with workers by offering job training necessary for the development of their careers and by assigning workers to the positions they would like to take. Through such improved personnel management as mentioned above, companies should help workers develop and maintain motivation for work.

In order to maintain workers' enthusiasm for work throughout their work lives, it is vitally important for companies to offer various work styles from which workers can choose the one that best suits their respective life stages and also to establish a flexible hours worked system and a leave system to help workers keep a balance between private life and career. The diversification of employment types should, in effect, increase the types of working styles and thereby assist workers to pursue self-actualization. Companies should pay more attention to the fact that various life experiences such as child-care, nursing care, self-development, refreshing holidays, and volunteering all help workers regain motivation for work and raise awareness of the issues that need to be tackled at the workplace. Workers with diverse experiences tend to have more wisdom and sensitivity, and more ability to empathize and greater creativity than those with fewer experiences of that sort.

### **(3) Creation of a Society Where Workers Develop Motivation for Work and Make Full Use of Their Abilities**

We need to create a society where diverse values are accepted and individuals' differences are respected so that each worker can confidently choose his or her job. In such a society, each worker could map out his or her working life and prepare a career plan. Such career plans would allow each worker to choose his or her job based on what he or she really wants to do in life. For the job chosen in this way, the worker would naturally be passionate and eager to use his or her abilities to the fullest.

Self-development programs and other human resource development programs given to workers should be increased in quality and quantity in order to enhance workers' motivation for developing human resources on their own initiative, and to be willing to make full use of their respective talents and abilities. Moreover, practical education and plural educational and training systems should be further improved. One way of improving those systems would be the use of universities and graduate schools to enhance workers' human resources. It would pave the way for a new career path that allows skilled workers to return to university. Further efforts should be extended to make universities and graduate schools more open to the public through the promotion of ongoing education.

It is important to give workers opportunities to objectively evaluate their vocational ability based on their job experiences and consult as to what vocational ability they need to learn from now on. It is also necessary to distribute information about job choice and opportunity of human resources development programs to workers in more useful forms and widely.

In recent years, working styles have diversified due to such phenomena as a change in the attitudes of workers toward work, a decline in the birthrate, an increase in the aged population, a rise in the number of female workers, and the growth of the service industry. It is important to adapt to the diversification that worker can develop their enthusiasm for work and make full use of their abilities. Moreover, workers need to flexibly change their working styles according to their life stages because their working lives are usually longer than before. One of the examples of the diversification of working styles is the recent development of SOHOs (Small Office Home Office), which allow workers to work without being employed. Another example is the spread of "community business," which allow local workers to provide services valuable in maintaining and developing the local community. These working styles will greatly contribute to the creation of a society that accepts diverse values. In such a society, workers can each pursue what matters most to them and provide the society with various goods and services that reflect individuals' differences. It is expected that the various business creation through the positive support for the establishment of such new forms of business would lead to realize the diverse values. For the development of a society that accepts diverse values, a study conducted on how to improve work environments for such new forms of business is an important problem.