

*JAPANESE-STYLE LABOR
MANAGEMENT IN TRANSITION*

A Thesis
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ABSTRACT

The major purpose of this study was to examine the extent to which lifetime employment system, seniority-based wage system, and bonus payment system hold for small and medium enterprises operating in Otaru City and in the light of current recession in the Japanese economy. The study also investigated, from a theoretical viewpoint, the possibility of transplanting traditional Japanese-style labor management in small and medium scale industries in Sri Lanka.

The major purpose of this study was achieved by administering two questionnaires constructed by the researcher himself. One questionnaire was distributed among 113 owner-managers of small and medium enterprises operating in Otaru City. The other one was administered to 167 3rd year high school students and 201 4th year undergraduate students and thereby total sample size being 368 job seekers who will be joining the Japanese labor force in the near future. Techniques used for the data analysis included descriptive statistics such as percentages, means, and standard deviations and correlation coefficients.

Data analysis revealed two types of realities of Japanese-style labor management relating to small and medium enterprises operating in Otaru City and in the light of current recession in the Japanese economy. Those two

realities are

- Small and medium enterprises' commitment to continue with certain aspects of traditional Japanese-style labor management and
- Some aspects of lifetime employment system and seniority-based wage system have entered into a transition period.

Furthermore, the data gathered from job seekers also revealed that they prefer employers to continue with traditional features of the Japanese-style labor management with introducing modifications to certain aspects of those labor management practices. Finally, the theoretical investigation carried out showed that there exists contributive factors as well as barriers to transplant the Japanese-style labor management in small and medium scale industries in Sri Lanka. However, Sri Lankan enterprises can keep good hopes for adopting the Japanese-style labor management in appropriate ways in years to come since the influence of Japanese firms over Sri Lanka's economy has been rapidly increasing for nearly fifteen years.