Research Study on Diversification of Working Places and Working Hours

Summary

Authors

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1. Aims and Objectives of Study

For working people, if "diversification" means availability of lots of options that meet their various needs concerning work and lifestyle more appropriately, "diversification" would bring advantages to them. In discussions of "diversification," this "bright side" tends to be emphasized.

The "de facto working hours" stipulated under the Labor Standards Act as revised in 1987 were introduced with the intention of relaxing the control of regular working hours on workers in certain types of jobs for which it is thought inappropriate to measure work results based on hours worked.[1] According to the General Survey on Working Conditions by the Ministry of Health, Labour and Welfare, the ratio of enterprises with 30 or more employees which have adopted the "de facto working hours"[2] is on the increase, rising from 8.1% in 2003 to 10.5% in 2008. With the spread of information communication devices and the development of communications infrastructure which enable workers to work without going to the office every day, new forms of working at home such as "telework" are attracting attention. In the traditional way of working, too, there are several workplaces for, for example, salespersons

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[1] Still, overtime premiums must be paid for hours worked at night and on statutory holidays.
[2] The total number of enterprises adopting the system of "de facto working hours outside the workplace," "discretionary work systems for specialist jobs" and "discretionary work systems for planning-type jobs."

working outside the office. These situations show that not only the forms of employment but also "working places" and "working hours" have been "diversified" in recent years.

However, there are only a few research studies on the "diversification" of working places and working hours that clearly show the actual state and problems. In connection with the "diversification of working places," so-called "telework (a way of working which allows workers to freely choose where and when to work utilizing information communication devices)" gets a lot of attention. Most of the past research studies, deal with "working at home," which is typical of independent contractors and SOHO workers.[3] In other words, almost no research studies have been conducted concerning the "diversification of working places" for workers employed by enterprises or organizations. Actually, there have been some research studies that mentioned the work-at-home system of certain enterprises. However, the cases of salespersons working outside the office, whose working places are not fixed, and the cases of managerial or specialist employees who often take work home and work at night or on holidays should be taken up in the context of "diversification of working places." Also, many studies of the "diversification of working hours" center around the cases of salespersons to whom the de facto working hours system applies and the discretionary work system, but the actual state of other groups of employees, such as managerial employees who often work overtime without receiving regular overtime pay, has not been clearly grasped.

Aren't there problems associated with the "diversification" of working places and working hours? At least in the studies on the "diversification of working hours," it is pointed out that superficial diversification results in rather longer working hours.[4] How about the "diversification of working places"? If it becomes possible to work at home without going to the office several days a week, workers' needs for working and living may be satisfied. However, in cases where workers work at the office for regular working hours and take work home, the work at home might result in longer working hours.

Based on the awareness of these problems as described above, this study is mainly aimed at examining the actual state of working places and working hours of workers employed by enterprises or organizations and identifying problems. In order to accomplish this main aim, we conducted a questionnaire survey of regular employees. In addition, an interview survey was conducted targeting enterprises adopting the

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[3] JILPT (2008) reviewed research studies on "telework" conducted to date, whose results are reflected in this paper.
[4] In this regard, *Ogura and Fujimoto (2007)* reached the conclusion that "workers working under relaxed control of working hours" tend to work longer hours.

work-at-home system for regular employees in order to know the details and operation situation of the work-at-home system which cannot be covered by a questionnaire. These target enterprises of the interview survey are so-called "advanced" enterprises in terms of introducing the work-at-home system. By examining their actual situation in detail, we aim to analyze what kind of system and operation will bring advantages to both workers and enterprises and at the same time determine what kinds of problems will arise.

2. Summary of Research Results

(1) Outline of questionnaire survey of workers

[Objectives]: To grasp the actual state of diversification of working places and working hours of employed workers (regular employees) and identify problems. The questionnaire is attached at the end of the volume.[5]

[Method of Survey]: As evident from past research studies,[6] only a small number of enterprises adopt the "work-at-home system" and consequently the number of workers who are allowed to work at home is estimated to be small. Therefore, we needed to take a somewhat large-scale survey. And taking into consideration the limitations on our budget, we conducted the survey by mail.

[Method of Selecting Respondents]: The sampling rate was determined according to the distribution of "employed" people aged 20 to 59 who are "mainly working" by sex and by age group based on the results of the national census in 2005. Among all survey cooperators, (mail survey cooperators only, excluding Internet survey cooperators), 8,000 people thought to be "workers in regular employment"[7] were selected. The survey results presented in this report are based on the responses of 6,430 regular employees among them.

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[5] The survey was conducted of regular employees only. Although diversification of working place and working hours also exists among non-regular workers, we limited the respondents to regular employees, who are the majority of workers, because no survey of this kind (of employed workers) has been conducted and considering the efficiency of the survey. We expected that doing so would enable us to eliminate outliers from the data of income, working hours, etc. of respondents to a certain extent and enhance the reliability of the survey results.

[6] See Ogura and Fujimoto *(2008)*.

[7] As there is no category of "regular employees" in cooperators with the mail survey by the research firm, we selected only those who are categorized by the research company as "company employees (general)," "company employees (managerial)," and "public servants" and sent the questionnaire to them at a ratio of 8:1:1, respectively. Taking into account the possibility that they may not be regular employees at the time of the survey, a question concerning working style and the type of employment as of the time of survey was included in the questionnaire and only regular employees were selected for aggregation and analysis. The total number of mail survey cooperators registered with the research company exceeds 300,000.

(2) Major results of questionnaire survey of workers

A. Diversification of working hours
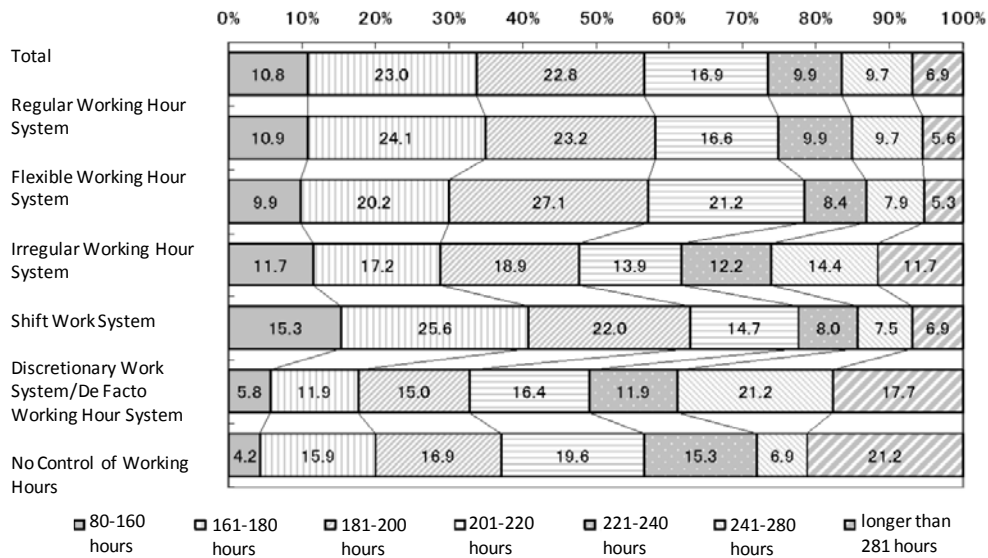
Figure 1.　Working Hour System by Job Type
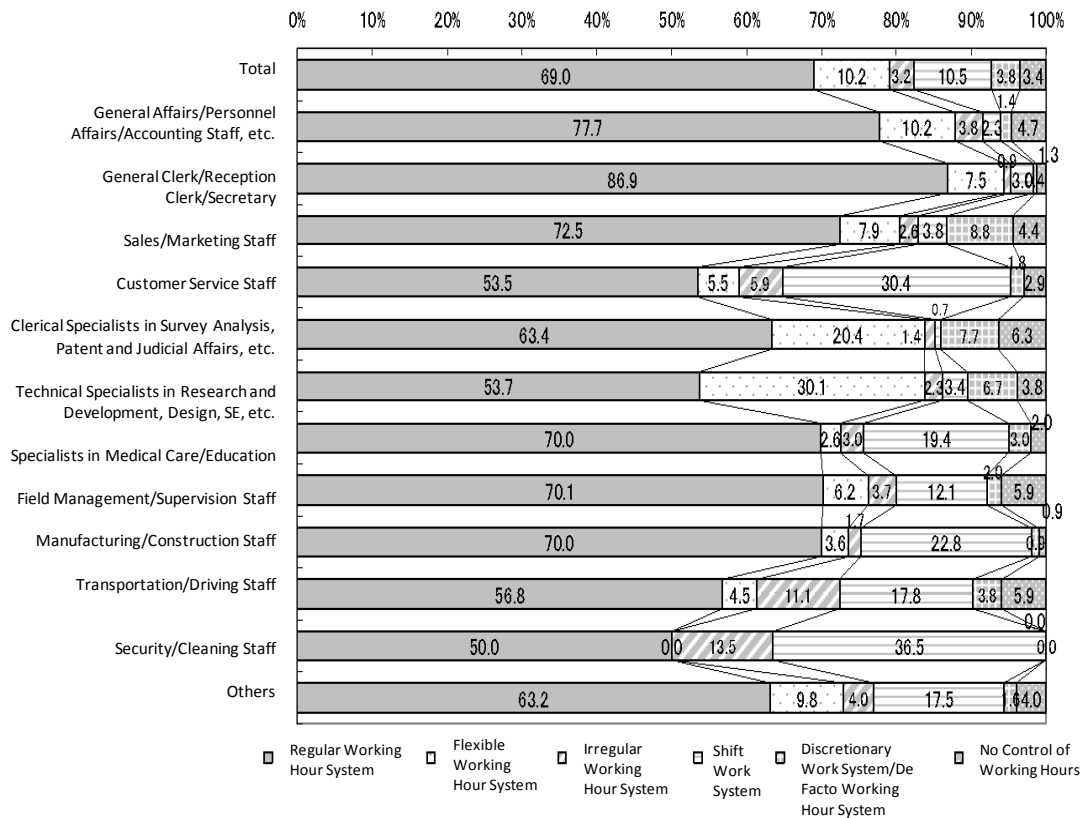
When examining the diversification of working hours, we took into consideration the workers' freedom to "work whenever they want" to some extent, with no fixed starting time or finishing time. Therefore, we focused on the working hour system first. In the survey, the "discretionary work system/de facto working hour system" and "no control of working hours" are considered as especially "flexible" working hour systems among the several types of working hour systems. According to Figure 1, the ratio of workers working under the "discretionary work system/de facto working hour system" is the highest among "sales and marketing staff" (8.8%), followed by clerical specialists (7.7%) and technical specialists (6.7%). The ratio of workers working under "no control of working hours" is high among clerical specialists (6.3%), field management/supervision staff (5.9%) and transportation and driving staff (5.9%).

The relationships between the working hour system and the total hours worked (monthly, including unpaid overtime work) are shown in Figure 2. The ratios of longer hour categories, or "241-280 hours" and "longer than 281 hours," are high among

workers working under the "discretionary work system/de facto working hour system" and "no control of working hours," which are considered as "flexible" working hour systems and, accordingly, the ratios of shorter hour categories are low among them. This indicates the possibility that "flexibility" in working hours results in longer working hours.

As will be discussed in detail in Chapter 2, an analysis of the causal relationships between the diversification of working hours and the total hours worked under standardized conditions, such as various employer companies and workers' attributes, clearly shows that workers working under a seemingly "flexible" working hour system and those working at several working places tend to work longer.

Figure 2.   Total Hours Worked by System of Working Hours

	80-160 hours	161-180 hours	181-200 hours	201-220 hours	221-240 hours	241-280 hours	longer than 281 hours
Total	10.8	23.0	22.8	16.9	9.9	9.7	6.9
Regular Working Hour System	10.9	24.1	23.2	16.6	9.9	9.7	5.6
Flexible Working Hour System	9.9	20.2	27.1	21.2	8.4	7.9	5.3
Irregular Working Hour System	11.7	17.2	18.9	13.9	12.2	14.4	11.7
Shift Work System	15.3	25.6	22.0	14.7	8.0	7.5	6.9
Discretionary Work System/De Facto Working Hour System	5.8	11.9	15.0	16.4	11.9	21.2	17.7
No Control of Working Hours	4.2	15.9	16.9	19.6	15.3	6.9	21.2

According to its original purpose, diversification of working hours should contribute to flexibly meeting the work needs in busy and slow seasons and satisfying the living needs of individual workers. In reality, however, it contributes to longer working hours in general, thus causing a great problem. Therefore, how to eliminate long working hours is the question to be addressed first. Flexible working hour systems were originally intended to be able to either increase or reduce working hours depending on the situation. The current situation shows a strong tendency toward increasing working hours. This tendency needs to be turned around toward "reducing working hours when possible."

B. Diversification of working places

For the study of the diversification of working places, we asked the respondents who answered "yes" to the broad question, "Do you work at places other than your usual workplace of the company you belong to?" about the types of such other places and frequency of working there. Table 1 shows existence or nonexistence of workers who have workplace(s) other than their usual workplaces by working hour system. The ratio of respondents who answered they have other workplaces is high among those working under the "discretionary work system/de facto working hour system" (73.7%) and "no control of working hours" (67.7%), while it is low among those working under the "shift work system" (23.8%), indicating that the "flexibility" of the working hour system correlates with workplaces.

Table 1. Existence of Workplace(s) Other than Usual Workplace by Working Hour System

(%)

	Yes	No	Total (N)	
Regular Working Hour System	41.1	58.9	100.0	(4406)
Flexible Working Hour System	54.2	45.8	100.0	(650)
Irregular Working Hour System	50.5	49.5	100.0	(202)
Shift Work System	23.8	76.2	100.0	(669)
Discretionary Work System/ De Facto Working Hour System	73.7	26.3	100.0	(243)
No Control of Working Hours	67.7	32.3	100.0	(220)

The existence or nonexistence of workers who have workplace(s) other than their usual workplaces by total hours worked is shown in Figure 3. The longer the total hours worked, the higher the ratio of respondents who answered they have other workplaces, suggesting the possibility that the "diversification" of workplaces results in longer working hours. As will be presented in detail in Chapter 2, the survey results show that the more workplaces workers have, the greater the total hours they work.

Figure 3. Existence of Workplace(s) Other than Usual Workplace by Total Hours Worked
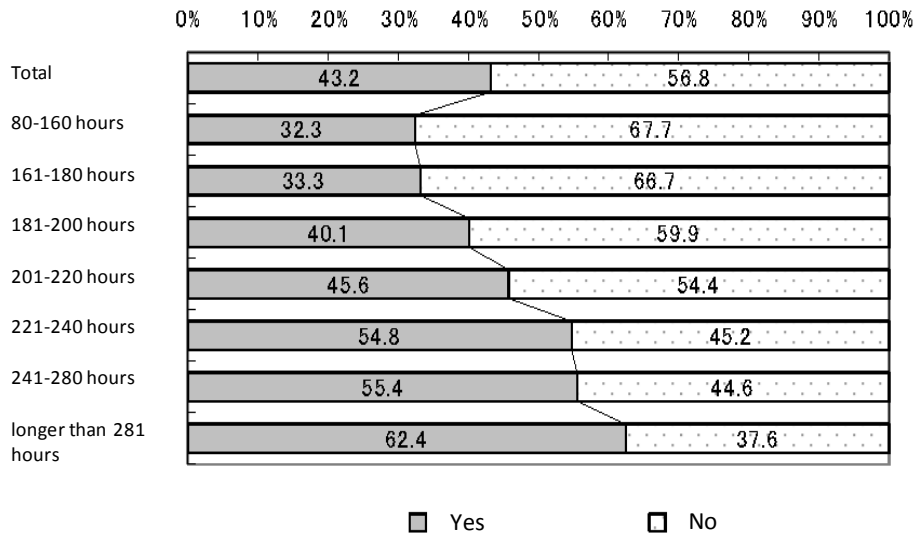

Table 2 shows the types of other workplaces than the usual workplace and the frequency of working at such other workplaces. The ratio of respondents who answered "never work there" is the lowest for "other offices of the employer company," at 35.6%, followed by "offices or factories of customers," at 49.5%, and "home," at 63.2%. The ratios for "all other places" exceed 80%. These figures mean that the respondents work at these three types of places relatively frequently. The ratio of those who work "almost everyday" at "offices or factories of customers" is relatively high, at 12.0%, probably reflecting the working situation of workers who visit customers for sales purposes, etc.

As will be shown in detail in Chapter 3, when asked about the advantages of working at places other than the usual workplace, the largest number of respondents answered "productivity and work efficiency increase" (46.6%) for "other offices of the employer company," "productivity and work efficiency increase" (48.1%) for "home," and "customer service improves" (39.6%) for "offices or factories of customers." On the other hand, the ratio of respondents who answered "there is no advantage in particular" is 34.8% for "other offices of the employer company," 27.0% for "home," and 30.1% for "offices or factories of customers."

Table 2. Workplaces Other than Usual Workplace and Frequency of Working There

(%)

	Almost everyday	About 3-4 days a week	About 1-2 days a week	About 1-3 days a month	Less than one day a month	Never work there	Total (N)	
Other Offices of the Employer Company	4.7	3.6	9.6	19.9	26.5	35.6	100.0	(2449)
Home	4.7	3.4	8.0	12.3	8.3	63.2	100.0	(2324)
Offices or Factories of Customers	12.0	6.5	8.3	11.8	12.0	49.5	100.0	(2368)
Transportation Vehicles in motion	3.3	1.8	3.0	5.0	4.7	82.3	100.0	(2267)
Hotel/Accommodations	0.4	0.2	1.3	5.2	8.1	84.7	100.0	(2259)
Coffee Shop	0.2	0.4	1.6	2.8	3.5	91.5	100.0	(2247)
Others	4.9	1.7	1.4	3.9	5.4	82.6	100.0	(1981)

As for the disadvantages of working at places other than the usual workplace, respondents cited "working hours tend to be longer" (43.2%) for "other offices of the employer company," "it is difficult to separate work from private time" (59.1%) and "working hours tend to be longer" (55.9%) for "home," and "working hours tend to be longer" (32.6%) for "offices or factories of customers."

Figure 4. Total Hours Worked by Availability of Work-At-Home System
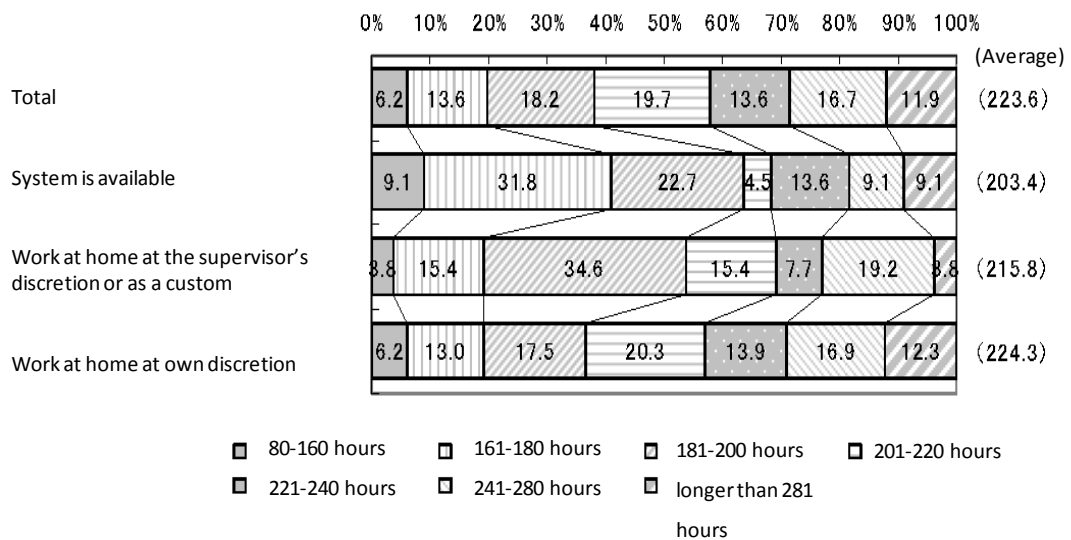
Nevertheless there exists certain amount of need for working at home. Of the respondents who work at places other than the usual workplace which do not include "home," 24.2% wish to work at "home." As for other places, few people have such desire (less than 10%). This indicates that those who are not allowed to work at home more or less wish to work at "home." The same tendency is observed among the respondents who currently never work at places other than the usual workplace. Of all respondents, 36.0% wish to work at "home."

Looking at the total hours worked by the workers who answered "the work-at-home system is available" tends to be less than for those who "work at home at the supervisor's discretion or as a custom" and those who "work at home at own discretion" (Figure 4).

As observed above, workers who work at a variety of workplaces also work in a flexible manner to some extent. When working at home, however, many workers take work home at their own discretion, and such situation tends to result in longer working hours. In order to reduce long working hours, it should be considered to establish the practice of working at home as a system because it would make it easier for workers to make distinctions in their way of working in various ways. Since only a limited number of respondents to this survey actually use the work-at-home system, we cannot draw a decisive conclusion based on the results and therefore the statements here are only by way of suggestion. Still, from the fact that many respondents who do not work at any place other than their usual workplace mention "home" as the place they wish to work if allowed by the company, there seems to exist some need for working at home. Therefore, we should discuss the ways of working at home in order to avoid long working hours resulting from the practice of just "taking work home."

(3) Results of interviews with enterprises

We carried out a survey on telework done mainly at home by interviewing 10 private enterprises (in the manufacturing, information communications, and service sectors) in 2007 and 2008. These 10 enterprises are all named as advanced examples in the prior studies or researches.

All 10 enterprises that we interviewed seem to smoothly operate the system of teleworking and working at home. Of particular note about working at home, every enterprise allows employees to partially work at home once or twice a week as a part of system or by operation of existing internal rules. It is also worthy of note that the system of partially working at home was introduced and is now operated as a system which addresses various values of each enterprise, such as the change in working style, diversified ways of working, employee needs, etc., and enables employees who are

responsible for child rearing or nursing care for family members to fulfill such responsibilities while performing their work duties. In other words, as far as we know from the interviews, the practice of partially working at home is a working pattern which is designed and established as a system aimed at contributing to the work-life balance[8] (hereinafter referred to as "WLB") of employees, and as one form of working at home included in the category of telework utilizing information communication devices.

On the basis of the above, the situation of the interviewed enterprises, regarding the effects of working at home, supportive facts, efforts to tackle problems and challenges for the future, is summarized as follows.

A. Effects of working at home

As an effect of introduction of the work-at-home system, the enterprise's side became to be able to meet employees' needs for WLB. On the employees' side, they could spend the time saved by not commuting to work on WLB purposes such as child rearing and nursing care as well as spending time with family at home. Other effects observed on the enterprise's side include prevention of employees, particularly female employees, from leaving due to child rearing or nursing care for family members, which is also beneficial to employees, who say they did not have to leave the job thanks to the introduction of the work-at-home system. Among the effects on the side of employees who work at home are that they can perform their individual-based work in a well-planned and efficient manner and that they can concentrate when working at home (improving productivity).

These effects, which have already been pointed out in some prior studies or researches[9], were also confirmed in this interview survey. Then, what factual factors support these positive effects of working at home?

B. Facts/factors supporting introduction and operation of the work-at-home system

The results of interviews with enterprises which seem to introduce and operate the work-at-home system in a relatively favorable manner, including the impressions we received, indicate that these enterprises:

(i) give the highest priority to employees' job satisfaction (continuation of employment, prevention of retirement, and promotion of willingness to work);

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[8] There is no official and clear definition. It is interpreted in a broad sense as "coping with both work and family life" and used as a term referring to the conditions which realize such situation or the system or measures to support such conditions. In this chapter, in particular, it is used as a term referring to the conditions which enable workers to fulfill their responsibilities for child rearing and nursing care of family members while performing their work duties.
[9] The most recent works are *Ogura and Fujimoto (2008)* and *JILPT (2008).*

(ii) (regardless of whether or not such practice directly led to the introduction of the work-at-home system) consider and introduce a system in response to strong needs of employees, and operate the system and the policy behind it in a top-down manner;

(iii) make the work-at-home system as easy as possible for employees to use (such as easing requirements and procedures for the use of the system); and

(iv) leave actual operation of the system to each department (supervisor) which the employees who use the system belong to.[10]

In some cases, the system is operated in a favorable manner even when not all of the above factors are in place, and these factors are thought to work complementarily.

All of the above-listed factors concern the consideration, introduction, and operation of the work-at-home system by enterprises (including general affairs or personnel affairs departments or other departments responsible for the work-at-home system). Then what is important for the employees who use the system and their supervisors who are responsible for operating the system? Although we did not interview employees using the system and their supervisors (in some cases, the persons who answered our interview questions happened to be an employee using the system and his/her supervisor), according to what we heard in the interview and the requirements for use of the work-at-home system, it is important that:

(i) the employee who applies for and uses the work-at-home system maintains good communication with the usual workplace on a daily basis;

(ii) the employee who applies for and uses the work-at-home system is recognized by his/her supervisor and colleagues to be a person who works hard even when no one sees him/her; and therefore

(iii) the employee who applies for and uses the work-at-home system gets the trust of his/her supervisor and colleagues and has established trusting relationships in the workplace.[11]

As the supervisor is the person who receives application for or approves the use of the work-at-home system, the applicant needs to obtain the trust of the supervisor as a matter of course. In addition, if the employee who is going to use the work-at-home system feels uneasy toward the workplace or colleagues about his/her working at home,

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[10] To put it the other way around, though it is only a matter of speculation, in cases where the enterprise sets up a short-term and concrete financial profit or business model (commercialization of work-at-home as a way of working), the enterprise does not have a top-down decision-making process, the system is difficult to use (e.g. even though for the purpose of problem prevention, the system is designed too strictly to be used easily by each department), or the actual operation of the system is not left to the department which the employees who use the system belong to, we may be able to consider that the systems is not operated in a favorable manner in relative terms. This is also an important point to take into consideration when introducing a work-at-home system intended to help workers achieve WLB.

[11] These observations have affinities with the suggestions presented on page 101 onwards of *Yanagihara (2007)* based on the individual enterprise survey.

it would be an obstacle to using the system. Therefore, establishment of trusting relationships with colleagues is considered an extremely important factor.

C. Challenges for the future of the interviewed enterprises

Each enterprise that we interviewed is currently operating the work-at-home system in a favorable manner. However, we think that they still have challenges to address. While such favorable operation is taken up as the "bright side," the "dark side" persistently exists though it has not yet come to the fore. Such challenges are as follows:

Management of working hours; the issue of overwork and mental health; work-related accidents; personnel evaluation system; establishment of good work climate and reform; ensuring of security; ensuring a feeling of fairness among employees; understanding of the parent company; explanation to employees working under different forms of employment; elimination of strong concern that the work-at-home system may impede the efficiency of the enterprises as a whole; consideration of expansion of eligible job types and application of the system to all employees; publicity to encourage use of the system; promotion of the use of communication tools; measurement of the effects through questionnaires, etc.; and study of the job types for which working at home is available and the number of employees who are to be allowed to work at home in a certain department.

The fact that problems and challenges continue to exist as described above means that the work-at-home system is still under development even at enterprises that operate the system smoothly. Therefore, continued research and study as well as active collection and provision of information of advanced examples, etc. will play important roles in the spread and promotion of the work-at-home system.

3. Conclusion and Political Issues

Under the present circumstances, the diversification of working places and working hours results in longer working hours for many workers as is typically shown in "extra work taken home." These workers, in spite of diversification of working hours, often work at home, etc. at night and on holidays in addition to regular working hours.

Given that the diversification of working hours by nature means a certain degree of freedom for workers to decide "when to work" according to the work needs in busy and slow seasons and the workers' needs in their living, it seems to be intended to either increase or reduce working hours depending on the work needs. However, under the present circumstances, there is no option for most workers to reduce working hours.

The diversification of working places is also highly likely to lead to longer working

hours if it only ends up in increasing "extra work taken home."

However, as indicated by the results of the interviews with enterprises, partial introduction of the work-at-home system, such as working at home about 1-2 days a week, would bring benefits. It would bring certain advantages to both labor and management, that is, the enterprises and workers by contributing to the elimination of disadvantages of "full work at home, without coming into office" such as lack of communication, and also lead to the improvement of work efficiency, prevention of retirement, partial resolution of the problems associated with commuting, reduction of burdens of housework and child rearing, etc.

For the future, it is advisable not to allow diversification of working places and working hours without limitation but to introduce and operate flexible systems such as partially working at home while taking care not to cause long working hours. On the side of administration, it is important to provide information about specific issues such as the way those systems should be introduced and matters to be attended to when doing so.