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Skills and Career Paths of Female Workers
in Developed Countries

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Skills and Career Paths of Female Workers in Developed Countries
-Including Interviews in Selected OECD Nations-

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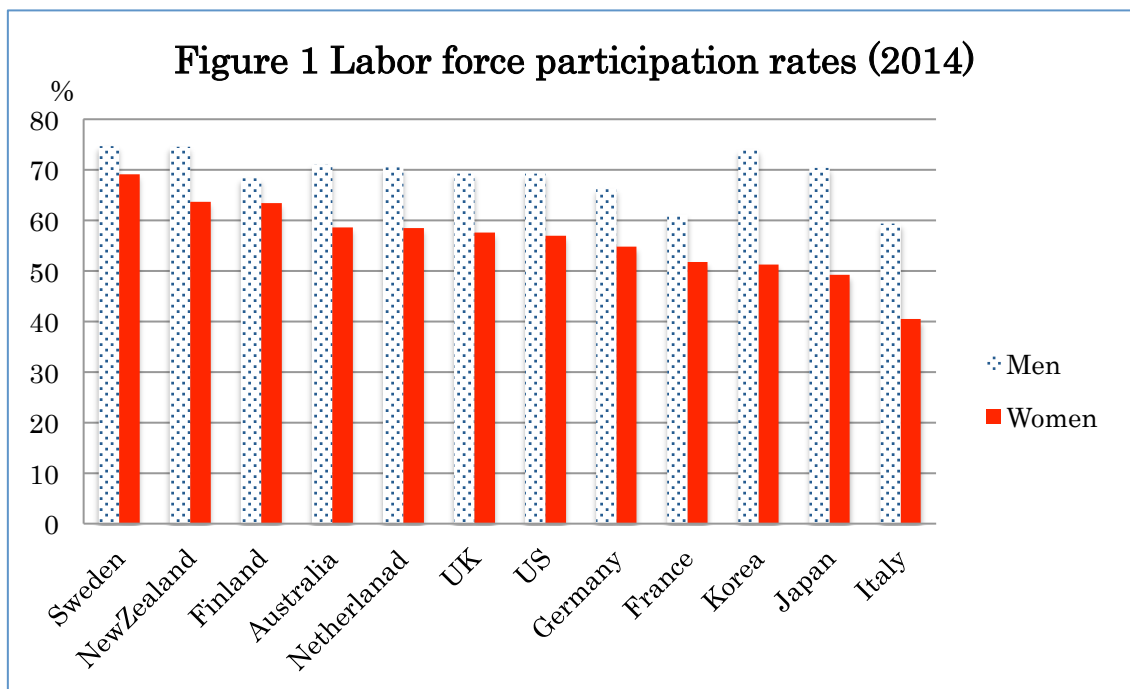
1 Introduction

Productive-age population reached its peak in Japan in 1995, when it stood at 87.25 million. Since then, the productive-age population has been continuously decreasing, impacting the labor supply. By 2014, population had decreased to 77.85 million, which resulted in a shortage in the labor force. Due to this shortage, Japan is finding it increasingly difficult to maintain its economic growth. Women, elderly people, and possibly immigrants or foreigners are expected to contribute to labor supply. Though various, interconnected factors like the traditional value system of Japanese society, change in people's mindset, and policy issues (currently under review by the Abe Government) impact effective utilization of women's workforce, we are particularly interested in the impact of female workers' job skills and its relation with their career paths. With this being the final objective, we initiated a three-year study in April 2015⁽¹⁾. Our findings on how women's job skills are related to their career paths will offer them guidelines on the job skills required for their desired career paths. The findings also have implications for employers for designing training programs specifically for female employees.

One of the initial and a necessary step is to examine and compare the existing situation with that in other advanced countries. Over the summer months in 2015, interviews were conducted. The 29 interviewees were from Finland, Germany, and France. There were two types of interviews that were conducted: i) Interviewees were asked about the general situation of labor market for female workers in their country, and ii) personal interviews

were conducted with male and female managers, and predominantly female non managerial workers. Our original intent was to conduct structured interviews, for which questions were prepared beforehand. The two key concepts of the interviews were (1) skill types of workers, and (2) work-life balance. We believe that these two factors are alike among nations, and universal to a certain degree. At the same time, certain differences do exist. For example, workers in Europe place a higher emphasis on work-life balance than those in the United States. However, as we conducted the interviews, new questions arose, which made it imperative for us to accordingly alter the prepared questions. As a result, we have not summarized the results of interviews, nor shown them quantitatively. Therefore, we introduce the outcome of interviews anonymously, where possible, and as required.

In this paper, we aim to conduct a preliminary study of the various factors such as working conditions, education/training/skills, work-life balance in European countries, the United States, and Japan. The study will be based mainly on the existing literature, and the results of the interviews conducted. This remainder of this paper consists of four sections corresponding to different areas or Organisation for Economic Co-operation and Development (OECD) countries. In section 2, we look at Finland and Sweden, where female labor participation rates are over 60% (Figure 1). In section 3, we look at France and Germany, where female labor participation rates are between 50 to 60%. According to the welfare state regime classification of the 29 European countries (Mills & Prag, 2014, p.16), Finland and Sweden belong to a social democratic regime, whereas Germany and France belong to a corporatist regime. In section 4, we focus on the current situation in the United States, a non-European country, where the female participation rate is 57%. In section 5, we shed light on Japan's female labor market⁽²⁾. In each of the sections, we examine the proportion and the wage gap of full-time and part-time workers, gender wage gap, and the education and the training system amidst other elements.



Source: OECD iLibrary, Employment and Labour Market Statistics 'Labour Market Statistics: Labour force statistics by sex and age indicators'

2 Finland and Sweden: Female Labor Participation of over 60%

2-1 Finland

2.1.1 Progress

Historically, even before the First World War, Finland showed higher female work participation rate than that in the other Nordic countries. By 1880, more than one-third of total women in Finland worked in the non-agricultural areas. After the Second World War, during the course of rapid industrialization and restoration in advanced countries, there was a period when many women stayed at home and were engaged solely in household matters, while men were employed in the newly established organizations and were paid wages. A similar pattern was observed in Japan as well. However, Finland was an exception. By the 1960s, Finland already had the highest female work participation rate among OECD countries. In addition, unlike Sweden, Finland did not have to rely on the public sector to create employment opportunities for female workers (Melkas & Anker 2003 p.12).

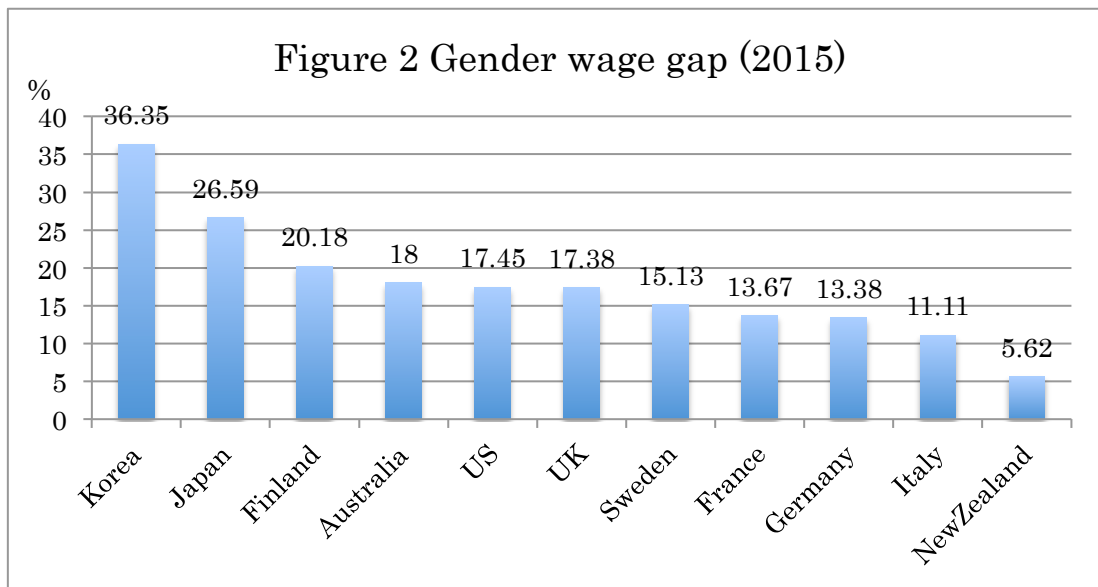
Interestingly, by 1995, the share of females in the non-agricultural labor

force of Finland, Norway, and Sweden, had reached about the same level of approximately 48%. The respective shares of females in non-agricultural labor force between 1970 and 1995 were 44.6% and 48.6% (4 percentage points up) in Finland, 34.8% to 47.8% (13 percentage points up) in Norway, and 40.5% to 48.3% (7.8 percentage points up) in Sweden. The smallest increase in the share was in Japan, where it increased from 36.0% in 1970 to 39.7% in 1995 (3.7 percentage points up) (Melkas & Anker 2003 p.12). It is evident that in 1970, female participation in non-agricultural sectors in Japan was higher than in Norway. However, as part of the effort to develop welfare states, a series of family and other policies were implemented in the Nordic countries. The interviewees pointed out that the successful change regarding the status of female workers could be attributed to the changes brought about in the law, and its effective implementation and compliance by the Finnish. One of our interviewees was a Japanese woman who has family, and who has been living and working in Finland for over 20 years for a Japanese entity's affiliated organization. She informed us that in Finland, policies and laws are made and enforced promptly by the Government, if it detects a requirement or a need by its people. Additionally, compared to Japan, there is a higher degree of compliance of laws. In other words, policies and laws work more effectively in Finland, as compared to in Japan. Finland also has a system of ombudsman, which the Finnish women can approach for consultations if they feel they have been discriminated against.

2.1.2 Working conditions

There still exists a wage disparity between male and female workers. It is reported that approximately one-third of the differential was due to occupational segregation by sex, and approximately 10–30% could not be accounted for. The wage gap differs by occupation, position, industry, and age group (Melkas & Anker 2003 p.12).

This issue of wage disparity is a concern for the 2015–2017 project. One of our Finnish interviewees mentioned that the reference is to keep the average wage of female workers up to 80% of the average wage of male workers; note that the gender wage gap reported by OECD was 20.18% in 2015 (Figure 2).



Source: OECD iLibrary employment outlook:

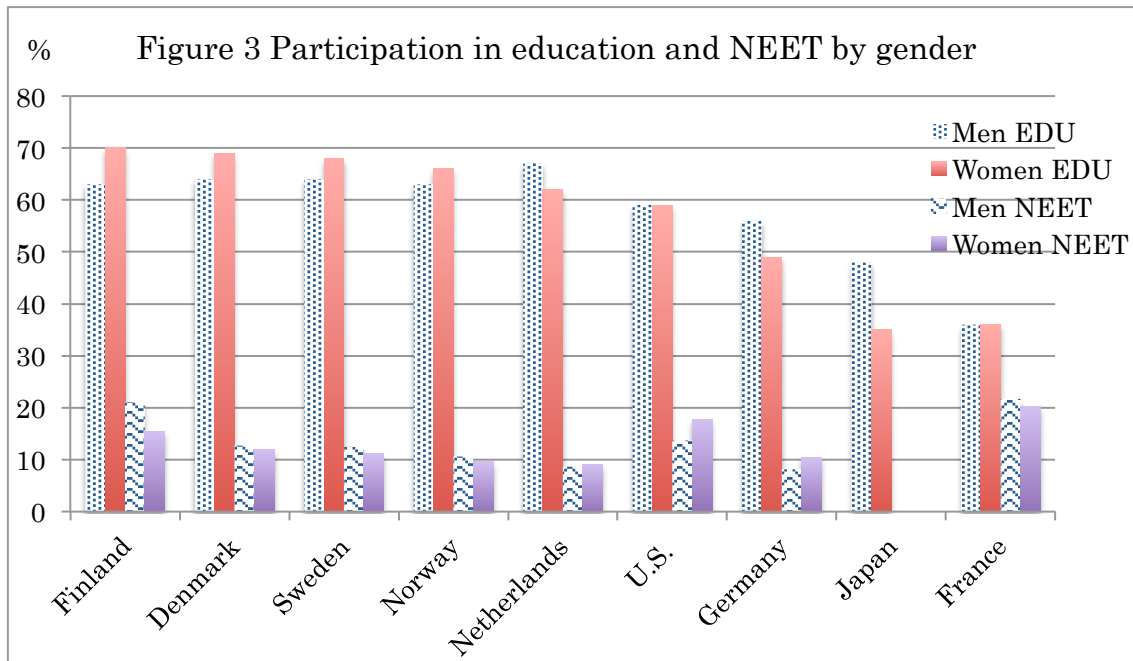
Definition by OECD: The gender wage gap is unadjusted and is defined as the difference between median earnings of men and women relative to median earnings of men. Data refer to full-time employees and to self-employed.

However, if we compare it with the existing gender wage gap in the other advanced countries, as presented in figure 2, we find that the gap has been the highest in 2015, except for in Korea and Japan.

2.1.3 Education/Training/Skills

Becker (1993 p.17) states that ‘education and training are the most important investments in human capital⁽³⁾. In Finland, a high percentage of females hold a higher education degree than male. In Finland (Figure 3) the participation rate of women in the age bracket of 25-64 years, who have had formal and/or non-formal education, was the highest among the countries listed, standing at 70% in 2012.

Since the beginning of the 2000s, European Union (EU) has been promoting the concept of lifelong learning (LLL), with particular emphasis on continuing vocational education and training (CVET) (Cedefop p. 25). It is stated that ‘participation in adult education and training is mostly of a non-formal, job-related and employer-sponsored nature⁽⁴⁾’.

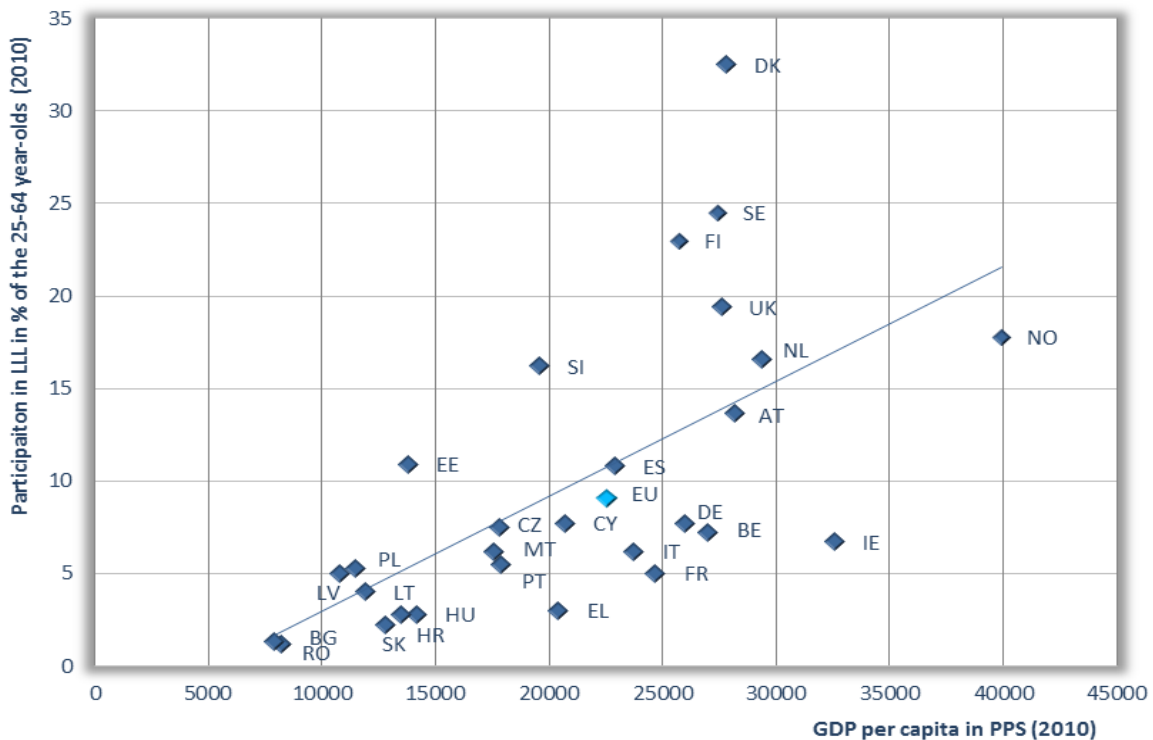


EDU: Participation rate of 25-64 year-old people who are in formal and/or non-formal education by gender (data of 2012), extracted from OECD iLibrary Education at a Glance 2016: OECD Indicator C6, Figure C6.1, Survey of Adult Skills.

NEET: The share of 20-24 year-old people who are not in employment, education or training (NEET), as a percentage of the total number of young people in the corresponding age group, by gender (data of 2015). Young people in education include those attending part-time or full-time education, but exclude those in non-formal education and in educational activities of very short duration. Employment is defined according to the OECD/ILO Guidelines and covers all those who have been in paid work for at least one hour in the reference week of the survey or were temporarily absent from such work.

Figure 4 shows that participation in LLL correlates positively with GDP per capita. In Denmark, Sweden and Finland, proportionately, a higher percentage of adults participate in LLL sponsored by employers⁽⁵⁾. Figure 5 shows skills perceived by enterprises as important. Interestingly, three Nordic countries responded that customer handling skills were the most important. All five countries listed pointed out technical, practical, or job-specific skills as one of top three important skills, besides customer handling skills (Cedefop pp.152-153). Skills identified in the survey other than those appearing in figure 5 are problem solving skills, general IT skills,

Figure 4 Relation of GDP per capita and adult learning (2010)



Note: Labor Force Survey (LFS) benchmark indicator, 25-64 year-olds, 2010

Source: Cedefop (2014) p. 41, Original Source: Eurostat, dissemination database (accessed 28.8.2012); Cedefop's own calculations.

oral or written communication skills, foreign language skills, office administration skills, IT professional skills, and numeracy and/or literacy skills (Cedefop p.149).

Vocational training listed in the survey includes (1) training courses that are most traditionally used, and rather new and expectedly effective training, (2) guided on-the-job training (GOJT) in work situations, (3) conferences, workshops, lectures, and seminars, (4) self-directed learning including e-learning, (5) job rotations, exchanges, secondments, study visits, and (6) learning circles and quality circles (Cedefop p.123, p.139).

2.1.4 Managers

In the interviews conducted with two female managers in a private

Figure 5 Skills perceived as important in the near future
(most frequent answers %)

	1	2	3
Finland	Customer handling skills (69)	Teamwork skills (66)	T.P.J. skills (64)
Sweden	Customer handling skills (52)	T.P.J. skills (52)	Management skills (43)
Netherlands	Customer handling skills (58)	T.P.J. skills (51)	Teamwork skills (40)
Germany	Teamwork skills (78)	Customer handling skills (76)	T.P.J. skills (67)
France	T.P.J. skills (76)	Teamwork skills (56)	Customer handling skills (55)

Source: Extracted from Cedefop (2014) pp.152-153, Original source: Continuing Vocational Training Survey (CVTS), extracted from Eurostat on request of Cedefop (December 2013) Cedefop's calculations. T.P.J. skills stands for Technical, practical or job-specific skills.

company, it came across that there were not enough female candidates who could be promoted to board members. The lack of middle class managers may be an issue. However, interestingly enough, according to the OECD data, at the macro level the share of managers as a percentage of the total employed was as low as 1.9%, whereas the share of females as board members of the largest publicly listed companies was as high as 30% in 2014 (Figure 8). Note that Finland has not implemented programs like affirmative action or quota. Finland accomplished this figure without a quota for female board members.

2.1.5 Venture business

On interviewing female managers, the role of venture business emerged as a factor that could have facilitated female labor participation. In 2013, Nokia's downsizing led to dismissal of 1,300 of its employees. Partly to enable the absorption of the laid off workers in other organizations, the Finnish Government initiated a support program for startups of venture

businesses, in addition to facilitating or providing vocational training. Out of the two females managers of private companies who were interviewed, one manager informed that since her husband had his own business venture and could manage his time at his own discretion, he was able to participate in childcare and help in other household activities.

2-2 Sweden

2.2.1 Progress

Three major features characterize the labor market in Sweden: solidarity wage policy, active labour market policies (ALMP), and a social security system designed to encourage people to engage in work rather than simply offering subsidy to unemployed workers.

The solidarity wage policy is the policy of wage arbitration through central collective bargaining between labor unions and industrial representative confederations. The first such agreement was made in 1937 between the Confederation of Trade Unions (LO) and the Swedish Employers' Confederation (SAF). This practice has been maintained even after Sweden joined EU in 1995. However, the total number of organizations, i.e. the total number of labor unions and employer confederations, has varied over time. The Agreement adopted in 1997 had an impact across sectors, with 12 management organizations and 8 labor unions becoming a part of it. The reason behind the effectiveness of central negotiation is considered to be the high participation rate of workers labor unions⁽⁶⁾ (Yamada 2012 p.23-24). Theoretically, central arbitration leaves no room for discrimination by gender or by working hours, full-time or part-time, or about the wage level; only factor considered is the kind of work undertaken. Thus, equal pay for equal work has been facilitated in principle by this agreement.

This notion of equal pay for equal work applies to all union members regardless of gender differences, working hours, or by the size of firms. By the 1960s, small-sized companies, which were not productive enough to pay the increased centrally agreed upon wage level, could not retain workers any more. This implied that the productive firms could retain additional profits since wage levels had actually decreased for them, which normally is the

case for large companies. This is completely different from the accepted situation in Japan where excessiveness or redundancy in personnel could be a rationale for layoff, normally practiced in accordance with last-in first-out principle. In Sweden, the law precisely determines the required and sequential measures that the employers are required to undertake so that the laid-off workers could change their employers smoothly, and get engaged in more productive operations (Yumoto & Sato 2010 p.112).

2.2.2 Education/Training/Skills

ALMP had jointly functioned with the solidarity wage policy to enable a smooth transfer of workers from unproductive, declining industries or firms to productive, prosperous industries or firms. The government runs varied institutional job training programs for workers that have been made redundant to enable them to be re-employed in other industries or firms. The government has directed this corporate fund created by the reduction of the total salary expense of large-scale productively operating firms into long-term investments in R&D via tax incentives, successfully leading to fundamental changes in the very industrial structure of Sweden.

The education system of Sweden is pragmatic in its approach: it enrolls not only young people, but also the unemployed with work experience in order to upgrade their career skills (Yumoto & Sato 2010 pp.134-149). Figure 3 shows that in 2012, 64% of men and 68% of women in the age bracket of 25-64 years participated in formal and/or non-formal education in Sweden, percentages that signify a high level of participation.

2.2.3 Public sector vs. private sector

Post 1980s, for social welfare, Sweden had to enlarge its labor force to maintain a high level of government spending. It hired more female workers in the public sector, especially in the field of nursing and preschool education. Consequently, women no longer stayed at home to take care of family members, but worked outside their homes for wages and salaries. In other words, unlike in Japan, women took care of their own families as a professional (Tsutsui 2015 pp.22-23), as opposed to as a caretaker/caregiver,

Figure 6 Wage gap and share of managers by sector (2012)

Sector	Gender wage gap (%)	Female share of managers (%)
Private sector	8	29
Public: Nation	6	44
Public: Prefecture	6	73
Public: Commune	1	67

Source: Kinoshita 2016 p.56

which is non-paid work.

What is noticeable here, and different from as observed in Japan, is that before a large number of female workers entered the labor market, the wage gap between workers in large companies and those in small and medium-sized companies had narrowed, and the gap between male and female workers had minimized. The fact that the wage gap by gender was relatively small was one of the facilitating factors for women to participate in labor force.

As a consequence, the division of labor by gender takes place not between a husband and a wife, but at the level of society: between men working in the private sector and women working in the public sector. More than 50% of female workers are employed by the public sector in Sweden (Tsutsui 2015 pp.16-18). The share of women in the public sector in 1996 was 73% (Melkas & Anker 2003).

The gender wage gap and female share of manager roles by sector are shown in figure 6. Female share of manager roles is higher in the public sector. It is more so at the commune level instead of at the national level, presumably because participation level itself is higher for females compared with males at the lower level of community. The gender wage gap is contrarily smaller in the public sector.

It is suggested that the average wage rates of occupations that female workers are largely engaged in such as caregivers, preschool teachers, etc. are overall lower (Kinoshita 2016 p.56). As was pointed out in the case of

Finland, the gender gap has occurred by job type in Sweden as well.

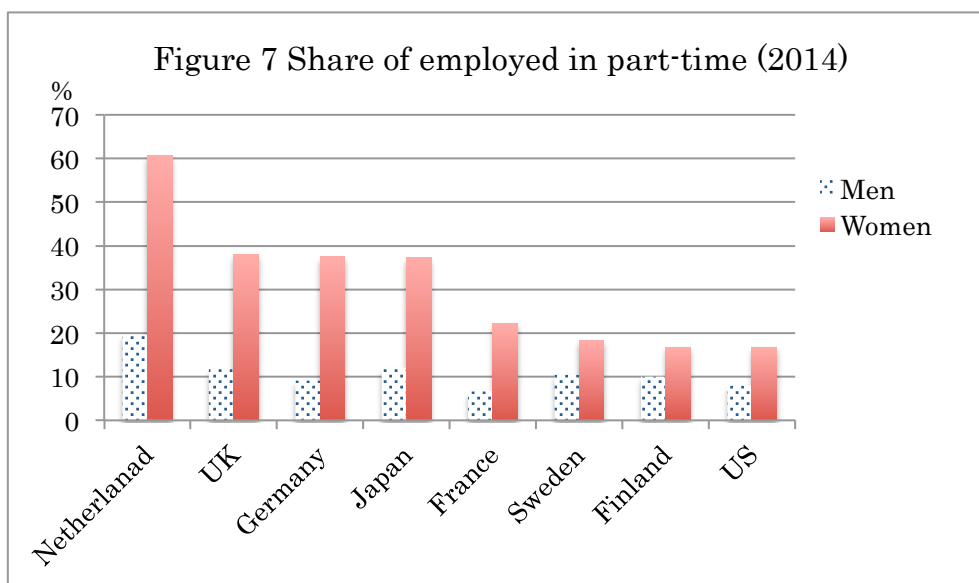
2.2.4 Work-life balance

In 2013, the breakdown of women aged between 20 and 64 showed 83% engaged in the labor market including those currently unemployed, 5% in school, 7% in poor health conditions, and 2% in housekeeping. As for working hours per week, women working more than 35 hours per week, called full-time workers, are 54%; those working between 20 and 34 hours, called long-hour part-time workers, are 20%, and those working between 1 hour and 19 hours, called short-hour part-time workers, are 4% (Kinoshita 2016 p.55). There is no difference in terms of employee's rights such as social securities and other working conditions depending on work hours such as part-time or full-time. What matters is how many hours a worker has worked since wage is paid hourly without any other consideration; thus, how much a worker earns is the hourly-wage times the number of hours worked (Kinoshita p.60).

2.2.5 Part-time as an established way of working: Netherlands

Netherlands has been developing a unique labor market in terms of work-life balance. In order to overcome the economic recession after the economic boom in the 1970s, the Dutch government, the labor unions, and the management organizations came to an agreement called the Wassenaar Agreement in 1982. Under this Agreement, labor unions cooperate in stabilizing wage levels instead of requesting for major wage increases, management makes efforts to secure jobs and reduce working hours, and the government tries to reduce tax and fiscal deficit. As an indication of the Agreement's successful implementation, 1.2 million workers entered the labor market from 1988 and 1997, of which two thirds were part-time workers. This translates to a 41% increase in part-time workers as opposed to a 10% increase in full-time workers during this period of time (Nagasaka 2000 p.31).

France could not realize the objective of so-called work sharing pursued by policy makers in the government. Work sharing here means providing jobs to



Source: OECD iLibrary, employment outlook:

more workers by reducing working hours of currently employed people. France could not create as much employment as the government had originally targeted, by reducing legal full-time work hours from 39 hours to 35 hours in 2002. In contrast, Netherland succeeded in realizing work sharing by prohibiting discriminatory treatment between full-time and part-time workers. The discrimination was prohibited with respect to various working conditions including hourly wages, which was determined only by the job type. In this way, workers could choose to reduce working hours without experiencing a disadvantage in terms of reduced per hour wage. As shown in figure 7, in 2014, the share of part-time workers is the highest among the countries we examine. On the premise of equal treatment towards full-time and part-time workers, Dutch government promotes the ‘combination scenario’. This means that a couple has a workload equivalent to only one and a half person, instead of two persons. This is to ensure that a family can secure enough time to spend together privately and/or seek higher education and training for their career development. This combination scenario largely contributed towards realizing work sharing and creating a better work-life balance (Nagasaka 2000 p.23 p.46).

3 France and Germany: Female Labor Participation between 50 and 60%

3-1 France

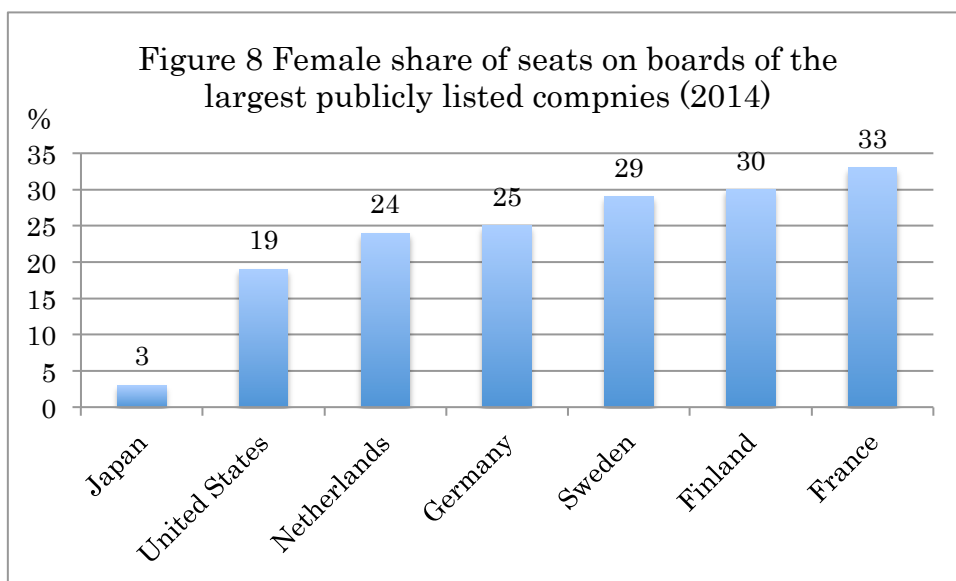
3.1.1 Working conditions

In 2014, female labor participation rate was 51.8% in France. In general, it can be pointed out that although the environment or the conditions are well established for women to maintain employment, gender disparity in promotion, pay, or through other treatments in a company persists.

The legal maximum working hours per week is 35 hours in France⁽⁷⁾. Short-term employment contracts are not usual. By law, short-term contracts are limited to temporary positions, including temporary replacement of workers on leave, seasonal work, etc. To prevent short-term contracts from being overused or misused by companies, a law was passed in 2013 to increase the proportion of unemployment insurance premium paid by the company to cover for unemployed workers after the completion of the short-term contract. To protect part-time workers, from January 2014, minimum working hours for part-time workers was determined as 24 hours per week. France passed yet another law in 2013 that stated that an employee who has worked for more than 2 years with the current employer can work for another company for a certain period of time, if this has been agreed upon beforehand. After working at the new company, the worker may leave the current employer permanently and continue working for the new company, or if he/she comes back to the current employer, it must guarantee the equivalent working conditions as enjoyed by the worker before he left to start trial (Goto 2013).

3.1.2 Education/Training/Skills

In France, each employee has a right to receive certain hours of training. In January 2015, this system was improved and called Compte personnel de formation (CPF: Personal account of training). This applies only to workers who have been employed in private companies for more than 16 years. Certain hours for training would be automatically accumulated in a personal account, which is created if the conditions are fulfilled. The maximum



Source: OECD iLibrary, employment outlook:

numbers of training hours that can be accumulated are 150 hours, which can be accumulated in 8 years of full-time employment or equivalent. This is a tool to facilitate labor market mobility, and develop each employee's career.

In 2012, a law was made effective for improving the working conditions of female workers. As per the law, a firm with more than 50 employees must hold negotiations between management and workers every year to listen to women-specific appeals. If they do not reach an agreement, the firm must devise an action plan and submit this to the Labor Standards Office. Violation of this obligation is subject to penalty equivalent to 1% of total wages (Yamazaki 2014).

3.1.3 Managers

Yet another law, executed in January 2011, mandates firms with more than 500 employees to have 40% of board members as females. Its target was extended to include companies with more than 250 employees, and those with more than 5,000 Euros in sales. This was undertaken to increase the share of female board members to 40% by January 1, 2020. The share of female board members among the top 40 firms listed in the stock market was 30.3% in June 2014 - the largest increase among EU countries during this period (Okuyama 2015). The female share of seats on boards of the largest

publicly listed companies was 33% in 2014 (Figure 8). Yamazaki (2014) pointed out that in 2009, the gender wage discrepancy for managers was approximately 26% in the manufacturing sector.

3.1.4 Work-life balance

In July 2014, Congress passed “the law of true equality between men and women.” Under this law, which became effective on October 1, 2014, an allowance was provided for childcare and education. It states that a father must take at least 6 months of childcare leave, for which an allowance of 576.24 Euros per month will be paid for up to 3 years. The government set the objective to reach out to 100,000 fathers by 2017, from the level of 18,000 fathers eligible for this allowance in the current situation (Yamazaki 2014, Okuyama 2015).

During our interviews with several female managers with children, it came across that they could adjust the work timings to incorporate childcare duties. For example, to take children to the childcare center in the morning and pick them up in the evening, one of parents’ worked early in the morning and the other worked late in the evening. In some other cases, similar to as is in a Japanese family, some said they lived close to their parents or tried to minimize time spent in preparing supper, to balance childcare and work.

3-2 Germany

3.2.1 Working conditions

Figure 1 shows that in 2014, the female work participation rate in the German labor market was 54.8% whereas that of males was 66.3%. If we refer to figure 7, the rate of females working on a part-time basis was 37.5%, which is significantly higher than the 9.1% for men (difference of 28.4 percentage points). This is similar to the pattern observed in the Japanese labor market. Ratio of part-time workers in the total female labor force was 37.2%, while that for men was 12% (difference of 25.2 percentage points).

However, the elements crucially different from the Japanese labor market are the wages. In Germany, the labor law prohibits the disadvantageous treatment of part-time and/or fixed-term workers, such as setting wages that

are not in proportion to regular workers' wages without rationale. Such part-time and/or fixed-term work is considered as regular work if the contract guarantees more than half of the maximum work hours per week as set by the law with no fixed-term, and if it involves direct employment by the company (Minagawa 2015 pp.384-385). In comparison, as can be seen in figure 16, the average monthly wage gap between full-time workers and part-time workers is huge in Japan.

The data also explored occupations biased by gender. It is included in data provided in our interview called 'The current situation of gender equality in Germany-Country profile 2012' financed by the use of the European Commission, Directorate-General Justice (p.8). The sectors in which female workers were engaged in 2010 were as follows: health & social work (20.2%), wholesale & retail (15.6%), manufacturing (11.8%), education (9.2%), public administration (7.4%). The distribution of women across occupations was legal, social, and cultural professions (16.1%), general and keyboard clerks (15.4%), personal service workers (12.8%), sales workers (7.5%), and health associate professionals (6.8%). For male workers, the distribution pattern was quite different from above.

3.2.2 Managers

In Germany, a law introduced in 2015, set a quota for women managers and mandated that the top 100 companies must have at least 30% women at the board level. The interviews conducted revealed that the ratio of women at the board level of large companies increased from 10.0% in 2003 to 16.0% in 2012. This level of 16.0% was slightly above the EU average of 14.0%.

However, gender gaps continue to remain in various areas in Germany. Each company, as a part of its labor policy, has to clearly define the wage rate based on occupational categories and posts/ranks in the internal hierarchy of the company. Gender should not be considered as a criterion to determine wage rates. However, in reality, in Germany, women earn less than men; the gender wage gap is 13.67% (Figure 2). During the interviews conducted, it was mentioned that behavioral patterns of men and women are widely believed to be different, and possibly stereotyped. However, it was

also stated that men and women often act differently. For example, one of the elements where they differ is the degree of modesty. On one hand, women are too modest in expressing their skills and abilities, whereas men are often overconfident.

In order to assess behavioral preferences or patterns of men and women, Thomas International conducted a research on close to 100,000 people, called the Personal Profile Analysis (PPA) in the UK, in collaboration with Spring Technology. The analysis was based on the DISC theory that assumes human behaviors can be classified into four factors: Dominance, Influence, Steadiness, and Compliance. The results are as follows: for Dominance- 34% male, 24% female; for Influence - 77% male, 84% female; for Steadiness: 53% male, 61% female; and for Compliance- 69% male, 66% female. As we can see, Dominance and Compliance are the stronger characteristics in men, whereas Influence and Steadiness prove to be stronger in women.

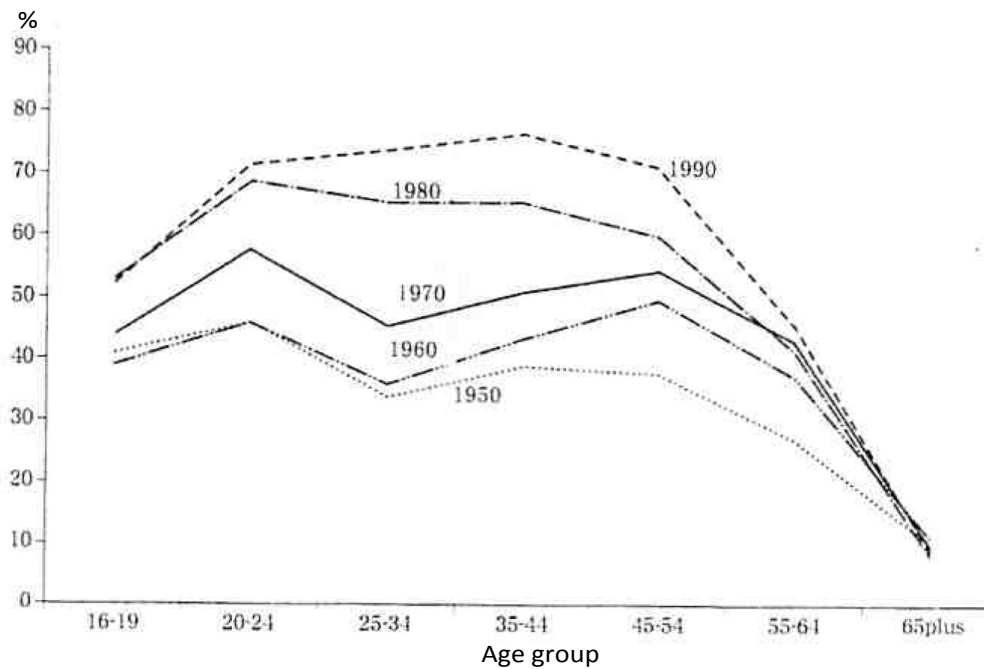
In today's environment of rapid technology changes, workers are required to stay updated, and continuously strive to acquire up-to-date technical skills, over and above their routine work. However, critical decisions of how this training is provided, and at whose cost it is provided, sometimes pose a challenge to companies like Spring Technology, and particularly pose a challenge with employees who must take maternity or childcare leaves⁽⁸⁾.

4 The United States

4.1 Progress

The Civil Rights Act of 1964 is the federal law for protection of human rights and poverty eradication, and prohibits discrimination based on race, religion, sex, or the origin of country, etc. Title VII of the Civil Rights Act 'prohibits discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex or national origin'⁽⁹⁾. In order to ensure effective implementation of this law, the Equal Employment Opportunity Commission (EEOC) was established. In 1972, the Equal Employment Opportunity Act was enforced. At the same time, EEOC was vested with the

Figure 9 Female labor participation rates from 1950 to 1990 by age group



Source: Maeda (2000) p.96

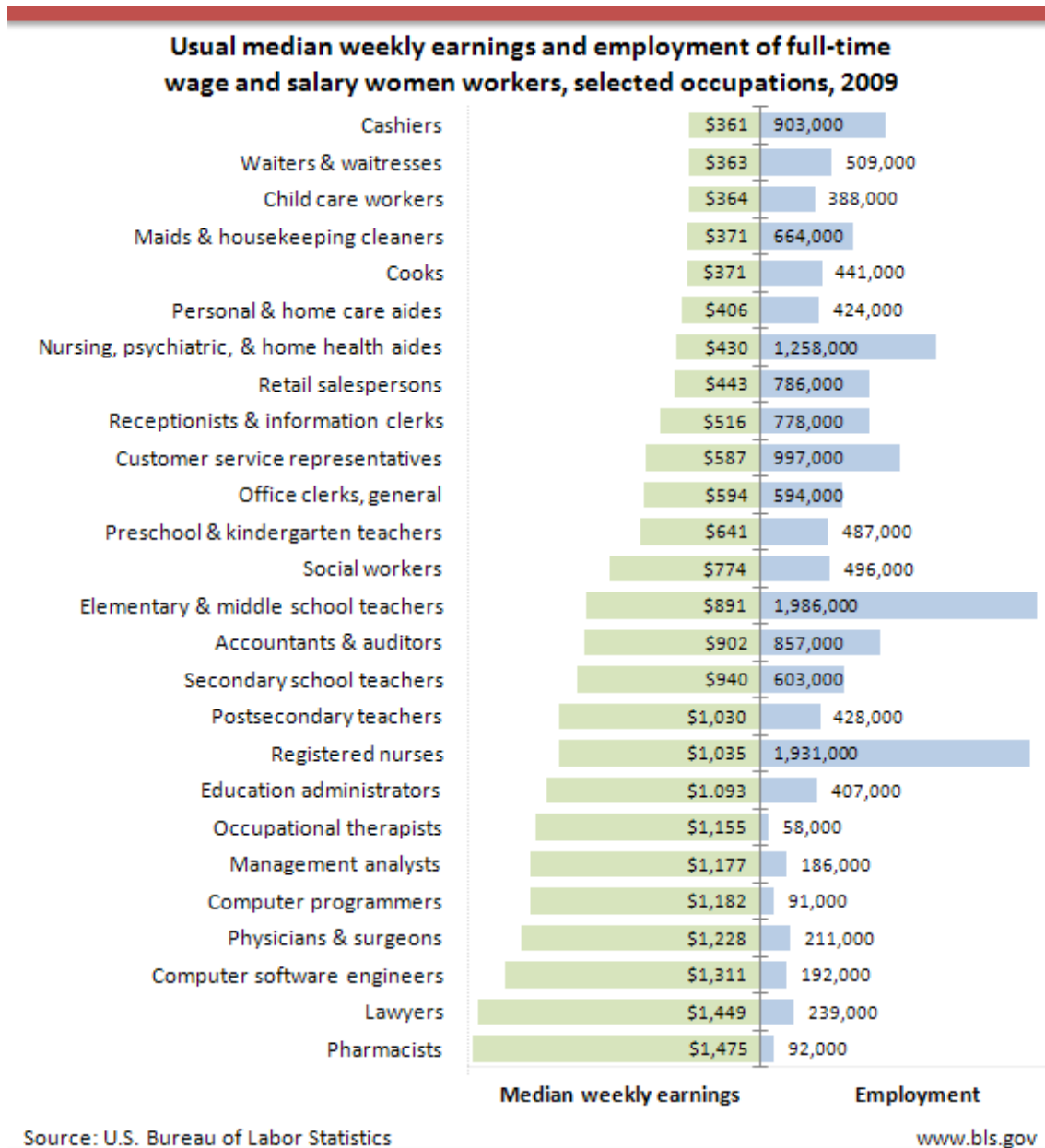
right to sue, instead of just conducting investigation or mediating out-of-court settlement.

The female labor participation rate reflected these gradual changes and increased steadily over the years (Figure 9). Around 1980s, the so-called M-shaped phenomena, referring to women leaving jobs after childbirth, dwindled, and by 1990, it completely disappeared. Concurrently, female labor participation rate had almost doubled between 1950 and 1990 (Maeda 2000).

4.2 Working conditions

In the United States, the market mechanism is expected to function in the labor market, in pursuit of preferable working conditions and a better work-life balance. Thus, restrictions as well as preferential treatments are lifted wherever and whenever possible. This implies that in principle, no special consideration or protection is given to a specific segment of workers

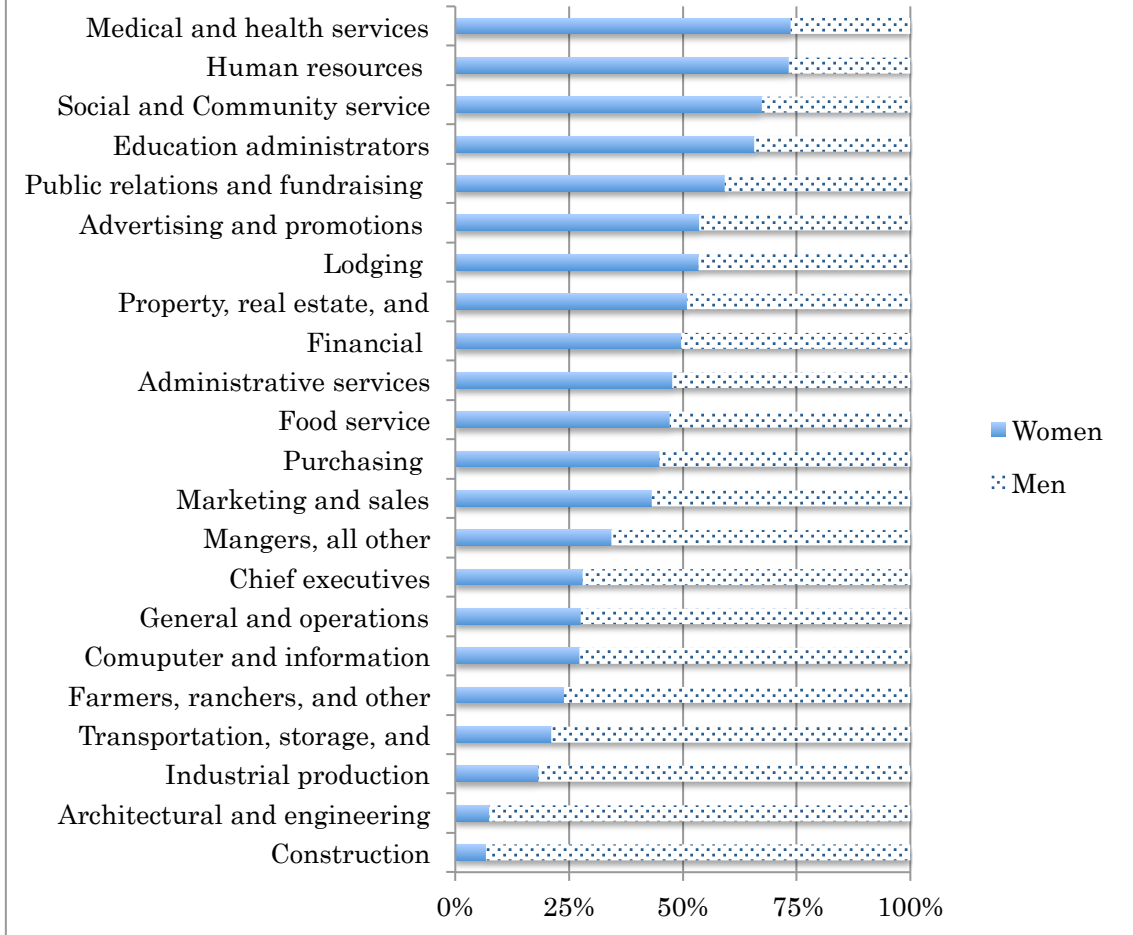
Figure 10 Occupational wage gap of female workers



Source: U.S. Department of Labor, Bureau of Labor Statistics, Publications, Spotlight on Statistics: 'Women at Work', March 2011 (<http://www.bls.gov/spotlight/2011/women/>)

in an organization. Individual performance is normally the main or the sole criterion in the personal appraisal system, with no allowance or any kind of additional salary being provided for special personal concerns, such as raising children, taking care of parents, etc. Gender, ideally, should not come into consideration in employee assessments, and therefore there should be

Figure 11 Percent of male and female workers in management occupations 2015



Source: U.S. Department of Labor, Bureau of labor Statistics, PublicationThe Economics Daily: 39 percent of managers in 2015 were women, <http://www.bls.gov/opub/ted/2016/39-percent-of-managers-in-2015-were-women.htm>

no differentiations in salary levels due to gender.

If we look at wage levels by occupation, as shown in figure 10, more women work in lower paid occupations such as, as nurses, as psychiatric and home health aides, as elementary and middle school teachers, and as registered nurses. The gender wage gap of 17.45% as depicted in figure 2 may partly be attributed to this fact.

4.3 Managers

Since appraisal system is solely based on performance, it is difficult to take leaves of a longer duration, regardless of reason. Thus, if women were not to take a long maternity leave, there would be no reason to for male employees to be at an advantageous position, as compared to their female counterparts, when it comes to promotions. When we look at the share of female managers by occupation (Figure 11), we observe that there exists a large difference in their share, varying from 73.7% in medical and health services to a mere 6.7% in construction. In occupations where the share of female workers is higher, a reasonably proportionate number of female workers have been promoted as managers, and vice versa. Thus, we can assume that if performance is properly evaluated, female workers are duly promoted at their place of working.

4.4 Work-life balance

Why do women work after childbirth, instead of leaving the labor market? Reasons can range from high earnings, self-development or self-actualization, better quality of life, better work-life balance, amidst others. At the same time, concerns about finding a job after a career break are also a reason why female workers continue to work post childbirth. According to Tsutsui (2015 pp.69-70), there are two ways to alleviate this particular concern: (1) via the external labor market where a high mobility of workers exists, and therefore, women can look for new employers post childbirth, or (2) via the internal labor market where the option to return to the same employer as before childbirth is guaranteed, even after maternity leave. The former is prevalent in the United States, and the latter in Sweden. Both the United States and Sweden have a relatively high birthrate and a high level of female labor participation, factors possibly leading to a better quality of life.

Moving back to pecuniary factors, figures 12 and 13 respectively present the average annual wages in 2015, and earnings ratio of ninth-to-first deciles in 2010. US recorded the highest levels for both the measures. Figures 10 and 11 also suggest that women are integrated in a variety of occupations. We assume that female workers are given alternatives in selecting occupations and whether or not to pursue promotion within currently

Figure 12 Average annual wages (US Dollar, 2015)

	2008	2015	difference
US	55560	58714	3154
Netherland	48100	50670	2570
Germany	41367	44925	3558
France	37938	41252	3314
Sweden	37481	40909	3428
Finland	39518	40731	1213
Japan	35352	35780	428

Source: OECD iLibrary, Employment and Labour Market Statistics: Average annual wages

Note: This dataset on remuneration of employment contains data on average annual wages per full-time and full-year equivalent employee in the total economy.

Figure 13 Gross earnings: decile ratios (2010)

	Decile 9/Decile1	Gender wage gap(%)
U.S.	5.01	18.81
Germany	3.33	16.75
France	2.97	14.05
Japan	2.96	28.68
Netherland	2.94	18.6
Finland	2.52	18.88
Sweden	2.23	14.32
Average	3.14	18.58

Source: OECD iLibrary, Employment and Labour Market Statistics: Gross earnings: decile ratios

Note: This shows earnings ratio of 9th-to-1st where ninth and first deciles are upper-earnings decile limits of gross earnings of full-time dependent employees.

employed companies or to leave and look for opportunity at other company, to some extent, depends on the comparison of opportunities of outside labor market and inside labor market.

Looking at work-life balance in terms of time spent (Figure 14), the share

Figure 14 Work-life balance

(Edition 2016)

	Long hours (%)	Diff from Ave	Leisure(hours)	Diff from Ave
U.S.	11.69	-4.34	14.47	-0.88
Japan	21.89	-14.54	14.85	-0.5
Germany	4.96	2.39	15.55	0.2
France	7.77	-0.42	16.36	1.01
Netherlands	0.44	6.91	15.9	0.55
Finland	3.6	3.75	15.17	-0.18
Sweden	1.1	6.25	15.18	-0.17
Average	7.35	0	15.35	0

Source: OECD Statistics, Social Protection and well-being: Better Life Index-Edition 2016: Work-Life Balance (<http://stats.oecd.org/>)

Note: Long hours (%): Employees working very long hours: This indicator measures the proportion of dependent employed whose usual hours of work per week are 50 hours or more. Japan estimated value. Leisure (hours): Time devoted to leisure and personal care: This indicator measures the amount of hours per day that, on average, full-time employed people spend on leisure and on personal care activities. The information is generally collected through national Time Use Surveys, which involve respondents keeping a diary of their activities over one or several representative days for a given period.

of employees whose usual hours of work per week are 50 hours or more is 11.69% in the United States, the highest except for Japan. The time devoted to leisure and personal care is 14.47 hours, which is the least amidst all other countries. Thus, we can state that in comparison to selected OECD countries, workers in the United States work, for longer hours, and have the least leisure time on average. Note that the share of workers who work longer hours is much higher in Japan (21.89% in Japan vs. 11.69% in the United States), whereas hours spent on themselves are approximately the same (14.85 hours in Japan vs. 14.47 hours in the United States). As can be seen in figure 14, workers in the United States enjoy a better work-life balance than those in Japan.

5 Japan

5.1 Progress/Working conditions

As we have already seen, among the selected countries listed in figure 15, Japan has the lowest female labor force participation rate and the largest gender gap.

Figure 15 Labor force participation rates (2014)

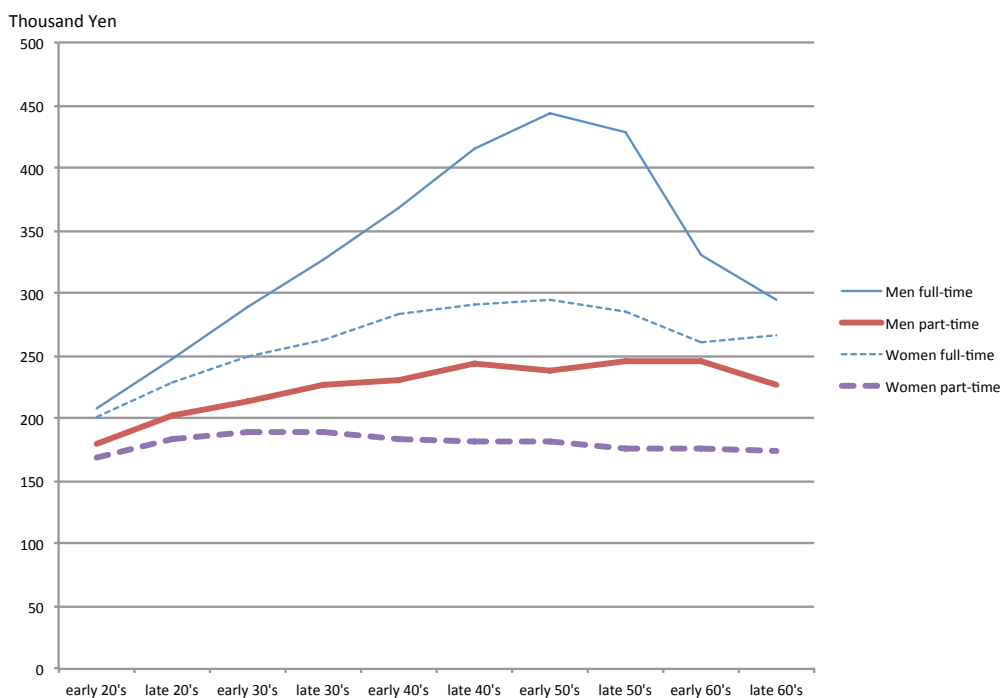
	Men (%)	Women (%)	Difference
Japan	70.4	49.2	21.2
U.S.	69.2	57	12.2
Netherland	70.5	58.5	12
Germany	66.3	54.8	11.5
France	61.1	51.8	9.3
Sweden	74.7	69.1	5.6
Finland	68.3	63.4	4.9

Source: Extracted from figure 1

As Tsutsui (2015) pointed out, there are two types of regions or countries that demonstrate a high level of female labor force participation. On one hand, there are countries such as Sweden (69.1%) or Finland (63.4%), and on the other hand, there are countries like the US, who also have high female participation rate (57%). This high participation rate has been facilitated by the social economic systems of the two countries. Both Sweden and Finland have the policy of high welfare and high burden. The government itself has been the most facilitating entity for female employment, resulting in a high share of female employment in the public sector. These governments are referred to as 'big governments.' In contrast, the US government's policy of relying on market mechanisms also accelerated female work participation after the 1970s. Governments under this system are referred to as 'small governments.'

In comparison, the governments of Japan and of countries such as

Figure 16 Average monthly wage by gender: full-time and part-time (2015)



Source: Ministry of Health, Labour and Welfare (Chingin Kouzou Kihon Toukei Chousa)

<http://www.mhlw.go.jp/toukei/itiran/roudou/chingin/kouzou/z2015/dl/02.pdf>

Germany neither have big nor small governments. Both Japan and Germany show relatively low female work participation rates, at 49.2% and 54.8% respectively. It is also pointed out by Tsutsui that these two countries face a similar concern of low birth rates. In countries like Germany, Italy, and Japan, the division of family roles by gender is deeply rooted in the society. This can be seen in the gender differences of labor force participation in figure 15 that shows that Germany (11.5 percentage points) and Japan (21.2 points) have much larger female labor force participation than Sweden (5.6 points), Finland (4.9 points), or France (9.3 points) (Tsutsui 2015 p.19).

Historically, after the World War II, the main concern or request of labor unions was to secure a living wage in Japan. For example, in the first agreement of the federation of electric power-related industry workers' union of Japan, over 70% of total amount of wage was determined by the need of an employee, which was calculated based on his/her age and the number of

family members the employee was supporting (Hamaguchi 2015 p.83). This portion of family member supporting allowance was paid to the head of the family, which in most cases are men. This is one of the rationales to raise the wage levels of full-time male workers.

Ever since, the problem of wage discrepancy between full-time workers and part-time workers in Japan has deepened. Often, women work on a part-time basis, especially after availing maternity leave. From figure 16, we can see that wage disparity between full-time and part-time workers is larger than the disparity due to gender. The gender disparity cannot be overemphasized. The issue of wage disparity seems to be more between full time male workers as one group, and full-time female workers and part-time male and female workers as the other group.

5.2 Education/Training/Skills

Generally speaking, wage gap can be attributed to the type of skills embodied in employees. Becker (1993) classified skills and trainings into two types, namely general skill/general training and specific skill/specific training. He argued that on premise of perfect competition in both product and labor markets, wages are to be equal to the marginal product of the firm. For general skills that can be transferred by employees and used in other companies without losing productivity, current employers would not pay the cost of general training. Instead, employees receiving general training would be willing to pay these costs. This implies that those who receive general training obtain wages lesser than their productivities at a younger age, difference being the training cost, and get higher wages at a later time, collecting the return that they invested (Becker 1993 pp.35-37).

As for specific skills, employees have no incentive to invest in specific training since it would have no effect on wages paid by other firms, the firm offering specific training must bear the costs. Becker suggested that turnover becomes important here, and conjectured that rational firms pay higher wages to those employees who were provided with specific training, partly paying the cost in order to reduce the turnover.

In reality, skills embodied in one person consist of a combination or a

cluster of firm-specific skills and general skills (Lazear 2003). Becker (1993 p.40) states that 'Much on-the-job training ... increases productivity more in the firms providing it and falls within the definition of specific training. The rest increases productivity by at least as much in other firms and falls within the definition of general training.' Thus, he suggests that OJT is also a combination of both general and specific in nature.

After the 1960s, the notion of specific skills embodied in employees via on-the-job training had been widely accepted, and offered as the theoretical foundation of long-term employment and the seniority wage system now prevailing in Japan (Koike 1999, Aoki 1988). Thus, firms had not been willing to provide on-the-job or in-house specific training to part-time workers at firms' expense. Many companies expected a large number of female employees to leave jobs after childbirth. The fact that many women had not considered their jobs as life-long position until official retirement age gave employers a rationale to justify unequal treatments for women such as firms not offering on-the-job specific training as for full-time male employees.

The ratio of part-time employment is quite high for female workers, though recently it has become increasingly high for male workers as well. The part-time labor law that was revised in 2007 states that firms must provide part-time workers involved in the same job with the same training required to obtain the necessary skills. Ouchi & Kawaguchi (pp.203-204) suggest that the recent increase of part-time workers might mean that firms appreciate general skills more than before. Moreover, the increase in part-time jobs is related to the increased share of employees in the service sectors, suggesting that skills required in those sectors may be more general in nature.

5.3 Work-life balance

As expected, most people who we interviewed in Europe consider maintaining a good work-life balance extremely important. It is a commonly accepted value at both society and policy levels. Therefore, aspects such as the assurance of returning to the same position after maternity leave,

Figure 17 Shares of Double vs. Single Income Family

	1980		2014	
	No.(M)	%	No.(M)	%
Single income	11.14	0.64	7.20	0.40
Double income	6.14	0.36	10.77	0.60
Total	17.28		17.97	

Source: Health, Labour and Welfare White Paper 2015, P271 by Ministry of Health, Labour and Welfare

husbands contributing equally to raising children, or maximum hours of work per week are not only officially enforced by law, but are also actually practiced. Consequently, for many women it is normal to continue working until their retirement age, which is not necessarily the case in Japan.

As opposed to our expectation prior to interviewing, many female workers strive and make special efforts to raise their children, as Japanese working mothers do, by living near grandparents, using day-care facilities, and so on. This is not prepared or provided automatically by society. In addition, some female workers with children in Finland and France mentioned that partly because of tax benefits, their husbands established their own ventures, which resulted in making it easier for fathers with small children to manage household work and childcare. In Japan, on the contrary, husbands tend to maintain a stable job status, especially if wives are not working or not in permanent position as employees.

Nevertheless, according to the Ministry of Health, Labour and Welfare's White Paper (2015), the number of double income families has been growing constantly, at least from 1980, and it exceeded the number of single income families for the first time in 1992. More than half the couples are double income couples currently, as shown in figure 17.

6 Concluding remarks

As a necessary step towards our final objective of clarifying the relationship between skills embodied in female employees and their career

paths, and work-life balance in Japan, we first examined the work situation in selected OECD countries for female workers. Although European countries and the United States are quite different in many aspects, influenced by distinctive social and legislative systems of each nation, various forms of gender disparities can still be detected in both areas.

The next step is to look at skills embodied in female workers as clusters of various kinds of skills, and then identify constituent element of skill clusters. In order to finally draw managerial implications for firms and female workers, subsequent work would involve clarifying details of training, work experience, and career paths that enabled these women to accumulate specific skill clusters.

Notes:

1. This study is supported by Grants-in-Aid for Scientific Research provided by the Ministry of Education, Culture, Sports, Science and Technology for the academic period of 2015–2017.
2. Participation rates shown in figure 1 are: Sweden 69.1, Finland 63.4, Germany 54.8, France 51.8, Japan 49.2 in 2014. As shown in figure 1, female labor participation rates in Japan are lower as compared with that of the Nordic countries, but not necessarily low in comparison to countries like France or Germany, and are actually higher than the rates in countries like Italy. Note that the gap between male and female labor participation rates is small in Sweden and Finland, whereas it is quite large in Japan, Korea and Italy.
3. Becker also states ‘...the analysis of investments in human capital helps in understanding a large and varied class of behavior not only in the Western world, but also in developing countries and countries with very different cultures. My discussion follows modern economics and assumes that these investments usually are rational responses to a calculus of expected costs and benefits’ (Becker 1993 p.17).
4. Adult education and training are fully or partly paid by the employers and/or taking place during paid working time (Cedefop p. 13).
5. Abbreviations for Denmark, Sweden and Finland are DK, SE, FI, respectively. Other countries dealt with in this paper are: Netherlands (NL), France (FR), Germany (GE), and Norway (NO).
6. Labor union participation rates were: 67.7% in Sweden, 69.0% in Finland, 52.1% in Norway, 66.8% in Denmark, 55.1% in Belgium, 85.5% in Iceland, 7.7% in France, 18.1% in Germany, 17.8% in Netherlands, 25.1% in UK, 10.8% in the US, and 17.8% in Japan in 2013 (OECD iLibrary Statistics ‘Trade union density’).
7. Maximum working hours per week are 48 hours in the UK, and 40 hours in countries such as Spain, Sweden, and Poland.
8. The Spring Technology report was provided in our interview in summer 2015.

9. We referred to the homepage of United States Department of Labor <https://www.dol.gov/general/topic/discrimination/ethnicdisc>).

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