



At the end of the lesson, the student will be able to:

- *appreciate the importance of their jobs.
- *classify the factors of downsizing in the corporate world.
- *be familiar with the complexity of the downsizing decisions.



Read the Article:

Dubbed as “window side employees” in Japan, a work-obsessed country, they are **paradoxically** being paid to do almost nothing at all. Japanese corporations have always had some of these people on staff. But, despite a weak economy, the ranks of the “in-house unemployed” are now estimated at 2 million and growing. The workers’ fate **hinges** on this broader question: Must Japan follow in America’s footsteps (by among other things, unleashing **deregulation**, fostering intense competition and creating a more flexible labor market) or can it sustain a wholly different Asian model of capitalism with a more human face?

That’s an issue that increasingly confronts Japan as the country digs out of a four-year recession. Battered by a strong yen, high production costs and weak domestic demand, Japanese firms have launched a fresh wave of **restructuring**. Companies like Nissan, the car maker, have adopted personnel practices aimed at trimming payrolls: hiring freezes, early retirement incentives and efforts to shrink jobs via **attrition**.

But so far, Japanese corporations have drawn the line at American-style job cuts in which thousands of jobs are eliminated wholesale. Japan is a country where workers often refer to their company as home. "Lifetime" employment at the same large firm has been a national ideal for a long time and a reality for about a fifth of the work force. Small wonder that corporations don't want to risk **opprobrium** by putting people out on the street.

So they deal with overstaffing in a peculiar Japanese way: They move it to another location. Thousands of Japanese workers have been packed off to corporate subsidiaries and affiliates, where they stay on the job but seldom do meaningful work. By internalizing unemployment within firms, (and **saddling** companies, rather than the rest of the society, with the associated costs) Japan has kept the official unemployment rate low.



Let's Talk:

1. What determines the fate of the window side workers in Japan?
2. How does Nissan try to reduce its payrolls?
3. How has Japan kept the official unemployment rate low?
4. What are the problems in keeping unemployed workers in house?



Express Yourself:

1. Are you satisfied with your job?
2. Are you afraid of losing your job?
3. What are the most important qualities people should have in light of downsizing trends?
4. Which do you think is a better way to strengthen a country's economy – guaranteeing lifetime employment or giving corporations the power to downsize?
5. What do you think about introducing a lay-off system in your country?
6. Which is the most responsible for lay-offs: corporate managers' greed, ordinary employees laziness, or the economic cycle?
7. What are the common methods corporations use to adjust employment?