Deploying Nonstandard Workers: Organizational Structure Perspective -

With reference to Japanese Workplace

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Abstract

Ample writings on organizational structure have devoted to theorization and empiricism-based discussions of structural arrangements for standard (or regular) workers in organizations. However, theorizations, debates and discussions on organizational structural arrangements for nonstandard (or non-regular) workers seem to be rare. Aim of this study is to bring out structural possibilities for deploying nonstandard workers while reviewing the literature on newly emerging organizational structures and with the support of empirical evidence in the Japanese workplace. Present study recognizes that the nonstandard work arrangements can be facilitated by the emerging new structures of work organizations. Such arrangements predict the possibility of deploying nonstandard workers in numerous ways still allowing them the freedom to adopt a flexible and agile career of their own. Thus, the structures alike virtual, networked, process-based, team-based etc. would provide the stage for both workers and the organizations to fulfill their expectations.

1. Introduction

Structural arrangements within organizations determine the performance outcomes of both the organization and its workers. Thus, efficiency (in terms of profitability, productivity, market standing etc.), morale, and adaptability (Pugh & Hickson, 2007), and internal health (Nadler & Tushman, 1980) are resultant to proper structural arrangements. Knowledge on diverse structural arrangements for work within organizations enables organizational practitioner better use of their workforce. Ample writings on organizational structure have devoted to theorization and empiricism-based discussions of structural arrangements for conventionally careered and standard (or regular) workers in organizations. Structural dimensions, contextual dimensions, contingencies, configurations (Pugh & Hickson, 2007; Mintzberg, 1979; 1989; Donaldson, 2002; Burns & Stalker, 1961; Lawrence & Lorsch, 1967) are some of the examples for these. However, theorizations, debates and discussions on organizational structural arrangements for nonstandard (or non-regular) workers in the existing literature seem to be rare.

The number of nonstandard workers (NSWs) in contemporary organizations has been increasing globally (Fu, 2012; Houseman & Osawa, 2003; McCourt & Eldridge, 2003; Ozeki & Wakisaka, 2006; Wooden &
This up-rising trend has been apparent in many developed countries. Japan stands to be one of the best examples among them (JILPT, 2015). The Japanese workplace evidences to specific arrangements, such as, introducing conversion systems (converting non-regular employees to regular employees) (Sano, 2012, Fujimoto, 2007), adopting hybrid systems for deploying NSWs (Hirano, 2011), and direct absorption of NSWs to regular positions. These evidences suggest the need of organizational arrangements for nonstandard work, and thus inform its significance for organizational practitioners and theorists of the day.

Apart from the employee conversion systems and accompanied hybrid systems in practice, the theorizations of newly emerging organizational structures, such as, virtual, networked, cellular, modular structures etc., seems to be accommodating fluid and flexible work systems for contemporary non-aligned workers. Thus, their discourses are proven more fruitful insights for deploying nonstandard workers. On these grounds, present study aims to bring out structural possibilities for deploying nonstandard workers in light of the non-conventional characteristics suggested in newly emerging organizational structures by reviewing the theory and practice. It is designed as a review accompanied with an empirical investigation conducted at the Japanese workplace.

This search will lead to reveal possible structural arrangements for nonstandard work, thus providing implications for organizational practitioners for better configuring their work organizations, still adhering to cost effectiveness, while allowing diverse work styles for workers. In line with that, converging two research areas such as nonstandard work arrangements and organizational structure, this study would make two major contributions to the existing practice and theory. First, it accords the attention on the structural imperatives in designing nonstandard work arrangements. Second, it opens avenues for researching into new directions of structural arrangements for diverse working styles.

The structure of this paper is as follows. First, it examines the meaning of ‘nonstandard work’, clarifies diverse definitions related to it, and looks into the reality of workplace that deploys the nonstandard workers, in line with diverse industrial and occupational categories. Second, it reviews the theoretical underpinnings as related to the present study. Simply elaborating the method adopted in the study, next it presents the findings in terms of theoretical and empirical disclosures. The study concludes with several implications for practitioners and theorists.

2. Non-standard Work Arrangements in Organizations

Nonstandard work, which is also known as ‘non-regular work’ (Fu, 2012), ‘contingent work’, (Barker & Christensen, 1998; Lundy, Roberts & Becker, 2006), or ‘shadow work’ (Gleason, 2006), continue to evolve in response to global economic challenges and consequent employer decisions (Zeytinglu & Cooke, 2002).
Definitions and clarifications

Even though the term ‘nonstandard workers’ is used as an umbrella term to cover up all categories of workers who do not fall in the category of ‘standard workers’, there seems a variety of terms (sometimes interchangeably) used in Japanese workplace. Below it presents definitions for some selected categories of nonstandard workers.

<table>
<thead>
<tr>
<th>Category</th>
<th>Definition/Clarification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atypical worker</td>
<td>Who holds a job with limited duration declared, with a limited number of working hours and a time-bound limited payment thereof, without any promise of a further extension of the working period or a re-appointment.</td>
</tr>
<tr>
<td>Contract worker</td>
<td>Who employed in designated occupations’, and ‘are subject to a fixed-term contract with the objective of utilizing their specialist knowledge.</td>
</tr>
<tr>
<td>Temporary worker</td>
<td>Who is employed on a short-term or daily basis.</td>
</tr>
<tr>
<td>Part-time worker</td>
<td>Whose normal hours of work, calculated on a weekly basis or on average over a period of employment of up to one year, are less than the normal hours of work of a comparable full-time worker.</td>
</tr>
<tr>
<td>Dispatched worker</td>
<td>Who are hired from another source under a particular Act designed for that purpose.</td>
</tr>
<tr>
<td>Entrusted worker</td>
<td>Who are employed by contract for a fixed period by means of re-hiring the employees those who reached their retirement age.</td>
</tr>
<tr>
<td>Casual worker</td>
<td>Whose employment contract with generally limited entitlements or benefits and little or no security of employment.</td>
</tr>
<tr>
<td>Agency worker</td>
<td>Who holds a temporary employment relationship between a temporary work agency, which is the employer, and is assigned to work for and under the control of an undertaking and/or establishment making use of his or her services (the user company).</td>
</tr>
<tr>
<td>Teleworker</td>
<td>Who performs work using information technology, in the context of an employment contract, where the work, which could also be performed at the employer’s premises, is carried out away from those premises, on a regular basis.</td>
</tr>
<tr>
<td>Homeworker</td>
<td>Who works away from the factory or office and the employment status of the worker, as an employee or a self-employed person, is sometimes uncertain.</td>
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</tbody>
</table>

Source: JILPT (2011a) and European Industrial Dictionary (2011)
Industrial and occupational categories of NSWs: The real workplace
Industrial and occupational categories of nonstandard work have been well researched and documented in developed nations when compared to developing nations (e.g., JILPT, 2011b). However, due to the diversity and overlapping nature of employment categories of nonstandard work across nations (e.g., non-regular, contingent, atypical, part-time etc.), it becomes hard to summarize the industrial representation of such work categorically. Nonetheless, there are several distinguishable industries, which entertain nonstandard work than others. Remarkably, service industry in almost all such nations shows a considerable absorption of nonstandard workers for both skilled and unskilled occupations. Most attractive occupations for nonstandard work among the service industry are the personal service occupations (Slater, 2011) or individual service occupations (Michon, 2011) (e.g., childcare, elderly care, travel and leisure attendants, hairdressers, beauticians etc.). Furthermore, retail trade, hotel and catering, education, health, social activities, social care, welfare and wholesale can be marked as the industries with significant numbers of nonstandard workers. The highly visible employment categories of non-standard work in service industry are part-time work and temporary work.

Construction industry and manufacturing industry become significant next in its attraction to contract workers, temporary agency workers, or on-call workers (Valenzuela, 2011). Public sector (including state administration, local public administration, and health institutions) has been attractive for temporary employments (Michon, 2011).

Nonstandard work arrangements: Examples from Japanese organizations
A comprehensive report on the work arrangements in organizations those employ both standard and nonstandard workers in Japan identified three different patterns of deployment of workers (JILPT, 2007). Those were,

1. Non-combined pattern
2. Step-by-step conversion pattern
3. Integrated pattern

The first pattern evidences a clear separation of standard and nonstandard workers in fulfilling their job assignments. However, the second pattern shows the existence of a path for nonstandard workers to reach the standard category over time while earning experiences at work. The third pattern does not separate both categories from each other, but deploy them without severe restrictions.

Non-combined pattern
Food processing and selling industry has evidenced the non-combined pattern of deploying standard and nonstandard workers. The major reasons for adapting this pattern seem to be the significant differences among jobs at the production floor and the need of training. Thus, standard workers are the well-trained and experienced people who were assigned serious, responsible tasks at the floor, while nonstandard workers most often, represent the marketing staff.
Step-by-step conversion pattern
Diverse types of industries, such as restaurants and eating-places, hotel industry, travel industry, financial institutions, real estate agencies etc. have used this pattern. The conversion process of the status of nonstandard workers into that of standard workers in restaurant industry shows a gradual upgrading of part-time workers and *arubaito* workers over time while they are upgraded by the positions as well. This process shows that the status of some selected nonstandard workers is converted to that of standard workers.

Integrated pattern
The integrated pattern of deploying standard and nonstandard workers can be found in retail trade industry. The main reason for this pattern seems to be the simplicity of task contents.
The three patterns mentioned here have been used in: (a) retailers of food items, home appliances etc., (b) restaurants and eating places, (c) hotel industry, (d) travel industry and travel agency, (e) financial institutions, (f) real estate agencies, (g) meat processing and selling, and (h) food processing and selling.

3. Review of Literature

Organizational structure and configurations: Through theoretical lenses
Organizational structure is the formal system of task and reporting relationships that controls, coordinates, and motivates employees so that they cooperate to achieve an organization's goals. The particular structure is the result of a series of decisions made in relation to the arrangements of work in an organization such as (a) division of work among jobs, (b) grouping work based on certain common bases, (c) establishing reporting relationships between jobs, (d) distributing authority among jobs, and (e) coordinating activities between jobs.

Aspects of configurations
Mintzberg’s (1979) theory on organizational configurations posits that (a) prime coordinating mechanism, (b) the type of centralization or decentralization, and (c) the key part of the organization in combination determines the particular configuration. Thus, those three aspects stand as building blocks of an organization. The possible coordinating mechanisms are, (a) direct supervision (one individual is being responsible for the work of others), (b) standardization of work processes (the content of the work is being specified or programmed), (c) standardization of skills (explicitly specifying the kind of training necessary to do the work), (d) standardization of outputs (specifying the results, or output, of the work), and (e) mutual adjustment (coordinating activities through informal communications). These aspects at coordination of work would suggest multiple possibilities for arranging nonstandard work at organizations.

Thus, the key parts include (a) strategic apex (top management and its support staff), (b) techno-structure (analysts such as industrial engineers, accountants, planners, and human resource managers), (c) operating core (workers who actually carry out the organization’s tasks), (d) middle line (middle and
lower-level management), and (e) support staff (units that provide support to the organization outside of the operating workflow). The key part of the organization further shows the importance of particular worker category under the given circumstances.

Further, the type of centralization or decentralization shows the decision-making arrangement in performing the tasks, and so this aspect too would be significant in arranging nonstandard work at organizations. The possible types in this are suggested as (a) vertical and horizontal centralization, (b) limited horizontal decentralization, (c) vertical and horizontal decentralization, (d) limited vertical decentralization, and (e) selective decentralization.

New forms of organizations
The newly emerging forms of organizations at the contemporary workplace show some specific characteristics that distinguishes them from the traditional structures. They are, flatter and decentralized structures, organic nature, authority based on capability, team orientation, strong employee involvement, and quick responsiveness to environments. These characteristics have been visualized in certain specific structures. The discussion follows presents an account of such new structures.

Horizontal structure: It is a structure, which organizes employees around processes, rather than tasks, functions or geography. These processes are the cross-functional core processes of the organization (Daft, 2012). Daft (2012) describes the process as an organized group of related tasks and activities that work together to transform inputs into outputs. Thus, processes could stand for customer service, order fulfillment, new product development etc. This design is based on self-directed teams rather than individuals, thus enabling creative thinking and cooperative involvement. Process owners become the responsible authority for each core process in its entirety (Daft, 2012).

Team structure: The team structure, known as team-based organization, is a configuration in which teams are the core performing units nested within one another (Mohrman, Cohen & Mohrman, 1995). Teams being the vital unit in the structure, even overlapping one another, the hierarchical relationships become less significant in such an arrangement. Teams are defined as ‘group of individuals who work together to produce products or deliver services for which they are mutually accountable’ (Mohrman et al., 1995, p.06). Mohrman et al. (1995) describe four types of teams in a team structure such as 1) work teams (performing the work that constitutes the core transformation processes of the organization), 2) integrating teams (making sure that work across various parts of the organization fits together), 3) management teams (influencing the units that it is integrating), and 4) improvement teams (not performing the core transformation processes but making improvements in the capability of the organization). Thus, team structure facilitates the use of independent teams, which meant for particular functions and irrespective of hierarchical levels within the organization. It supports an ad hoc configuration (Mintzberg, 1979).
Virtual network structure: A virtual network structure becomes possible when the organization subcontract most of its major functions or processes to outside specialist companies while coordinating activities through a central hub, which is electronically connected to each. It takes a free market style, thus replacing the vertical hierarchy. The partner organizations work with their own expertise (Daft, 2012).

Structured network: In contrast to strategic business units (SBUs), which are self-contained, profit-responsible and autonomous business units, Goold and Campbell (2002) suggest a bit complex ‘structured network’ for organizations with multiple dimensions of focus, overlapping responsibilities, and shared accountabilities in order for them to organize as mutually independent units while pursuing a variety of sources of competitive advantages. This structure incorporates interdependent units as appeared in matrix structure however it is more complicated and less unit-specific in its accountabilities than in matrix organizations. Service organizations those serve through multiple service units that are mutually interdependent have adopted this structure.

4. Methods

Present study was mainly based on review of literature, supported by a few discussions held with managerial staff of several industries and a focus group interview of nonstandard workers from selected Japanese work organizations. The primary data collection was held in the autumn of 2011 (October-November) and spring of 2012 (May-June). The means of data search of the present study is reported below.

<table>
<thead>
<tr>
<th>Search Focus</th>
<th>Search Mode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural possibilities for different industries</td>
<td>Literature review</td>
</tr>
<tr>
<td>Structural arrangements for diverse NSW categories</td>
<td>Literature review</td>
</tr>
<tr>
<td></td>
<td>Discussions with managerial staff</td>
</tr>
<tr>
<td></td>
<td>Focus group interview</td>
</tr>
</tbody>
</table>

The key informants of the study were: Director General / Human Resources (03) (at Hotel industry), Chief Executive officer (at a Privately-owned manufacturing and sales company), Director General / HR Administrations (at a Research Institute), Manager / Recruitments (Chain Supermarket), Nonstandard workers (06) (from hotel, restaurant, retail trading, publishing, library service, and delivery service).

5. Findings and Discussion

Theoretical disclosures

The above review directed us towards the conceptualization of following structural possibilities that could be adopted in contemporary work organizations in different industries.
Table 3: Diverse structural arrangements for nonstandard work in diverse industries

<table>
<thead>
<tr>
<th>Structural arrangement</th>
<th>Structural Element</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Horizontal structure</td>
<td>Cross-functional teams</td>
<td>Service, manufacturing, IT</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Solutions, Trading</td>
</tr>
<tr>
<td>Team structure</td>
<td>Empowered teams</td>
<td>IT, manufacturing</td>
</tr>
<tr>
<td>Virtual network</td>
<td>Subcontracting of functions</td>
<td>World-wide / regional trading</td>
</tr>
<tr>
<td>Structured network</td>
<td>Mutually-interdependent units</td>
<td>Super market chains</td>
</tr>
</tbody>
</table>

Empirical disclosures

Interviews conducted with a few managerial staff from accessible industries noted positive comments on their empowerment in recruiting nonstandard workers those suited to the work requirements, without involvement of the headquarters. Almost all of such workers were being recruited from the surrounding area, and most of them were students. Thus, they adapted a flexible work scheduling, suiting to the requirements of both parties. The focus group interview held with nonstandard workers too revealed their expectation of workplace flexibility (time and place) and the adaptability of diverse working modes. These scenarios show us the organizational flexibility as well as worker flexibility in terms of time, place, and work, thus implying the possibility of adapting appropriate structural arrangements for the benefit of both parties.

Below it discusses the possible structural arrangements for nonstandard work in contemporary organizations, as guided by the existing literature and confirmed by informants in the study. (See Table 3 below). Those include some arrangements at worker level (ex. team-based work, project-based work, take-home assignments, virtual office), and other arrangements at organizational level (ex. introducing new unit(s) and appointment of a boundary spanning officer).

Table 4: Diverse structural arrangements for nonstandard workers

<table>
<thead>
<tr>
<th>Structural arrangement</th>
<th>Type of NRW</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team-based work</td>
<td>Fixed-term worker</td>
<td>Construction, manufacturing</td>
</tr>
<tr>
<td></td>
<td>Contract worker</td>
<td></td>
</tr>
<tr>
<td>Project-based work</td>
<td>Fixed-term worker</td>
<td>Construction, manufacturing</td>
</tr>
<tr>
<td></td>
<td>Contract worker</td>
<td></td>
</tr>
<tr>
<td>Assignment-based work</td>
<td>Temporary worker</td>
<td>Publishing, education, IT</td>
</tr>
<tr>
<td></td>
<td>Teleworker</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Homeworker</td>
<td></td>
</tr>
<tr>
<td>Virtual office</td>
<td>Temporary worker</td>
<td>On-line trading, education, real estate</td>
</tr>
<tr>
<td></td>
<td>Freelancer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Part-time worker</td>
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</tr>
</tbody>
</table>
**Team-based work**

When the particular nonstandard work assignments are to be fulfilled not individually but in a team of workers, team-based structure provide room with required flexibility for recruitment and functioning. Such teams can be recruited for fixed durations or until the assignment is over.

**Project-based work**

Nonstandard workers are recruited for their specific expertise knowledge, which would require an organization to complete a planned project. Fixed-term workers or contract workers at construction, engineering, technical, and production process-related industries are usually enrolled in specific projects with a fixed duration. Thus, project-based work arrangements prove to be more effective pattern for organizing non-regular work of this nature.

**Take-home assignments / Tele-working / Homeworking**

Organizations seeking to accomplishing tasks those categorized and organized as independent assignments (such as software production, computer programming, producing teaching materials etc.) especially in education and information technology industries would enjoy contract-based non-standard workers for their take-home assignments. This does not require a complex structural arrangement however would be benefited with a networked-infrastructural arrangement enabled through telecommunication/information communication technology (ICT) facilities. Further, the entire non-standard work assignments are organized under a regular team of experts.

**Virtual office**

Virtual offices are designed for work enabled through electronic media thus creating non-standard work on on-line education and learning support, real estate agencies, on-line trading, on-line survey companies etc.

**New division (or a unit)**

There are organizations those deal with a considerable number of nonstandard workers those who fall under ‘outsourced worker’ category. Office assistants, security personnel, cleaning staff are some of the examples for this category, currently appeared in work organizations. The outsourcing agency usually plays a vital role in providing staff and performing staffing functions accordingly. Thus, most of the instances these workers serve under the supervision of an in-charge or a supervisor that is appointed by the outsourcing agency. Such an employment condition may require organizations to incorporate a new division in order to properly deal with outsourced non-regular workers. The organizational ‘linking pin’ with this division comes to existence in the form of a ‘coordinating officer’ who is visible in the formal organizational structure.
**Boundary spanning officer**

When organizations continue with consistent recruitments through external agencies, a boundary-spanning officer can be appointed for dealing with such agencies on permanent basis. From the other end, Christensen (1998) posits the appointment of a permanent coordinating representative from the recruitment agency to the human resource (HR) group for taking seat in corporate management meetings. The boundary-spanning activities those focused on non-regular work allow organizations continual labor market surveys, updates, hunting feedback etc. on recruitment, training, and maintenance of non-regular workers for the organization. The organizations in retail industry, eating and drinking, health care industry, educational sector etc., which record a high number of non-regular worker participation, would qualify for this arrangement.

6. Conclusions

Present study recognizes that the increase of nonstandard work arrangements and the increasing number of workers employed under those arrangements can be facilitated by the emerging new structures of work organizations.

Newly adapting structural arrangements in work organizations predicts the possibility of deploying nonstandard workers in numerous ways still allowing them the freedom to adapt a flexible and agile career of their own. Thus, the structures alike virtual, networked, process-based, team-based etc. would provide the stage for both workers and the organizations in fulfilling their expectations.

When organizations proceed to deploy diverse employment categories, due to whatever the rationale, their role structures too have to be diversified in order to accommodate each type of employment. Thus, a single form of structure or configuration (Mintzberg, 1979) of organizations would not support poly-typological employment structures of the day. It may be effective incorporating flexible, non-hierarchical, team or process-centered work structures for the application of nonstandard work arrangements. Accordingly, present study identifies the following as typical suggestions for matching the structure and characteristics of nonstandard workers, and comforting the workplace.

- Team-based work and project-based work would be appropriate forms for organizing work in manufacturing outlets, which call for nonstandard workers for routine work.
- In the instances where more expertise knowledge is called for and the work is individually performed, the virtual set-up and home-working arrangements would be appropriate for nonstandard workers.
- The work organizations those continuously call for the service of nonstandard workers would be better off with a boundary-spanning officer and (or) a separate division for dealing with them.

However, a comprehensive study of the empirical setting in Japanese workplace of nonstandard work arrangements would suggest some more avenues for making implications in this topic.
Despite the growing concerns in nonstandard patterns of work all over the globe, it became apparent that the investigations into nonstandard work arrangements in developing nations, their characteristics, or the trends and developments are less visible in the existing literature. Thus, the present study strongly emphasizes the need of more research in to this area.

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References


