

Osaka University of Economics Working Paper Series,
No. 2003-3

**How Do Organizations Promote Person-Environment
Fit? The Case of Japanese Firms**

Tomoki Sekiguchi
Osaka University of Economics

Tomoki Sekiguchi
Faculty of Business Administration
Osaka University of Economics
2-2-8, Osumi, Higashiyodogawa-ku, Osaka, 533-8533
Tel: +81-6-6328-2431
Fax: +81-6-6370-7847
tomoki@osaka-ue.ac.jp

* The author thanks Takashi Kawakita for his comments on the previous version of this manuscript. An early version of this manuscript was presented at the Asia Academy of Management Professional Development Workshop, Academy of Management Meeting, Seattle, August 2003.

HOW DO ORGANIZATIONS PROMOTE PERSON-ENVIRONMENT FIT? THE CASE OF JAPANESE FIRMS

ABSTRACT

Despite the growing body of research on person-environment (P-E) fit in the management field, little research on this topic has been conducted in the Asian context, and little is known about how organizations promote P-E fit through various management practices. To explore these issues, I illustrate the way Japanese organizations manage different levels of P-E fit including person-organization (P-O) fit, person-group (P-G) fit, and person-job (P-J) fit through their human resource practices. This illustration serves as an example that the specific cultural or national context affects the way organizations promote P-E fit. Based on this, I discuss future research directions that would contribute to the deeper understanding of the P-E fit management in the Asian region.

Key words: person-environment fit, Japanese management, international, cross-cultural

INTRODUCTION

In the field of organizational behavior and human resource management, research on person-environment (P-E) fit, or congruence between the characteristics of individuals and those of environment, is prevalent (Edwards, 1991; Kristof, 1996; Werbel & Gilliland, 1999). Traditional research on P-E fit has been focusing on establishing its conceptualizations and investigating its theoretical relationship with antecedents and consequences. Although seemingly far from conclusive, accumulations of research on the conceptualizations and empirical validations of P-E fit are considerable. On the other hand, it appears that extension of P-E fit research toward more applied and practical fields has not been progressed. For example, dominant research on P-E fit has been conducted in the Western context, and little research has included international or cross-cultural factors. Also, dominant research on P-E fit has been at the individual level, and analyses including the group or organization level are relatively sparse. One of the research questions that practitioners as well as researchers would be much concerned with is how organizations achieve the ideal level of P-E fit in order to increase individual and organizational performance.

In light of these observations, the purpose of this paper is to extend our research focus from the fundamental and nomological understandings of P-E fit to applied and practical research questions such as how organizations promote P-E fit to increase performance and how it differs across cultures or countries. Answering these questions would require the holistic perspective integrating P-E fit, human resource, organizational behavior, and international/cross-cultural perspectives. In this paper, I use the case of Japanese firms to illustrate an example about the way organizations promote P-E fit through their management practices and propose future research that explores this topic further in the Asian context.

The organization of this paper is as follows. In the subsequent sections, I briefly review the research on P-E fit. A review of the literature suggests that little research has been conducted in the non-Western context, and we know little about how organizations promote P-E fit through their management practices. Next, I illustrate how typical Japanese organizations manage different types of P-E fit through their human resource practices. This illustration serves as an example that the specific cultural or national context may affect the way organizations promote the ideal level of P-E fit. Finally, I discuss implications for theory and practice and future research directions to explore the P-E fit management issues in the Asian region.

RESEARCH ON P-E FIT

The concept of P-E fit is grounded in the interactionist theory of behavior (Chatman, 1989; Muchinsky & Monahan, 1987). The interactionist perspective has a fairly long theoretical tradition, beginning with Levin's (1951) proposition that behavior is a function of the person and the environment. This view asserts that neither personal characteristics nor situation alone adequately explain the variance in behavioral and attitudinal variables, but the interaction of personal and situational variables accounts for the greatest variance.

Conceptualizations of P-E fit

Researchers have conceptualized P-E fit as complex and multidimensional concept. As such, several different ways to conceptualize P-E fit have evolved. First, P-E fit can be conceptualized either as supplementary or complementary. Supplementary fit occurs when a person supplements, embellishes, or possesses characteristics which are similar to other individuals in an environment (Kristof, 1996). Complementary fit occurs when a person's characteristics make whole the environment or add to it what is missing. A good fit is the mutually offsetting pattern of relevant characteristics between the person and the environment (Muchinsky & Monahan, 1987). Second, complementary fit can be subdivided into demands-abilities fit and needs-supplies fit. Demands-abilities fit is achieved when the individual contribution or supply meets environmental demands. On the other hand, needs-supplies fit is achieved when environmental supplies meet an individual's needs (Kristof, 1996). Third, P-E fit can be conceptualized as perceived and actual fit. Perceived or subjective fit is conceptualized as the judgment that a person fits well in the environment while actual or objective fit is the comparison between separately rated individual and environmental characteristics (Cable & Judge, 1996; Kristof, 1996).

Different types of P-E fit

P-E fit is considered to be an overarching concept under which different types of P-E fit have been identified. The most relevant distinctions to the management of organizations are person-job (P-J) fit, person-group (P-G) fit, and person-organization (P-O) fit, which are somewhat corresponding to individual, group, and organizational levels of P-E fit. Researchers also conceptualized other types of P-E fit such as person-vocation (P-V) fit and person-person (P-P) fit as distinguishable concepts from the above three levels of P-E fit (e.g., Holland, 1985, Van Vianen, 2000).

P-J fit can be defined as the match between knowledge, skills, and abilities (KSAs) of the individual and the requirements of the job, or the desire of the individual and the attributes of the job (Edwards, 1991). This definition includes both demands-abilities and

needs-supplies perspectives. P-J fit is the traditional fit concept that has dominated research and practice in employment selection in the Western context. Thus, P-J fit has a long history of providing a structure that produces valid and reliable selection results (Werbel & Gilliland, 1999).

P-O fit can be broadly defined as the compatibility between individuals and organizations, and it includes both supplementary and complementary relationships between individuals and organizations. The roots of P-O fit can be traced back to Schneider's (1987) Attraction-Selection-Attrition (ASA) framework, which suggests that individuals will seek out organizations that are attractive to them, will be selected to be a part of the organization, and will leave when they are no longer attractive to each other. Research on P-O fit has received much attention from researchers who recognize the limitations of the extensive focus on P-J fit in management research.

P-G fit can be defined as the match between individuals and workgroups (i.e., coworkers and supervisors), and it also includes both supplementary and complementary relationships. P-G fit is a relatively new concept compared with the other two. P-G fit is based on the idea that many employment positions require interpersonal interactions with group members (Werbel & Johnson, 2001). Researchers argue that selection of employees for team-oriented environments must go beyond the traditional job analysis approach and should consider P-G fit as well as P-O fit and P-J fit (Werbel & Gilliland, 1999).

Empirical research on P-E fit

Empirical studies on P-E fit have mainly focused on the antecedents and consequences of various dimensions of P-E fit, as well as the validation of their conceptualizations and measurements.

Consequences of P-E fit. Research on P-E fit generally supports the idea that a high level of P-E fit is related to a number of positive individual and organizational outcomes. First, consistent with the traditional view that P-J fit is the most fundamental in personnel selection, empirical research shows that a high level of P-J fit has a number of positive outcomes. Personnel selection researchers demonstrated that validated and structured procedures for determining P-J fit have led to more effective selections of employees in comparison to unstructured techniques (Buckley & Russell, 1997; McDaniel et al. 1994). In addition, job satisfaction, low job stress, motivation, performance, attendance, and retention are positively affected by demands-abilities P-J fit (Edwards, 1991). Needs-supplies P-J fit was also found to correlate with improved job satisfaction, adjustment, and organizational commitment, as well as reduced intention to quit (Edwards, 1991).

Second, empirical research also shows that a high level of P-O fit is related to a number of positive outcomes. P-O fit was found to correlate with work attitudes such as job satisfaction and organizational commitment (Boxx, Odom & Dunn, 1991; Bretz & Judge, 1994; Chatman, 1991; Downey, Hellriegel, & Slocum, 1975; O'Reilly, Chatman & Caldwell, 1991; Postner, Kouzes & Schmidt, 1985; Tziner, 1987; Vancouver & Schmitt, 1991). P-O fit was found to predict intention of quit and turnover (Chatman, 1991; O'Reilly et al., 1991; Vancouver et al., 1994). P-O fit was also related to prosocial behaviors such as organizational citizenship behaviors (O'Reilly & Chatman, 1986), self-reported teamwork (Posner, 1992), and contextual performance (Goodman & Svyantek, 1999). P-O fit was related to self-report work performance (Tziner, 1987) and objective measures of work performance (Downey et al., 1975; Bretz & Judge, 1994). It should be noted, however, that although a high level of P-O fit may also have positive organizational level outcomes, some researchers have pointed out the negative organizational outcomes of high levels of P-O fit (Argyris, 1957; Powell, 1998; Schneider, 1987; Walsh, 1987).

Third, not many studies have been conducted on P-G fit because it is a relatively new concept, but results from some empirical studies are available. For example, Kristof-Brown and Stevens (2001) examined the effect of P-G fit as goal congruence on individual outcomes. They found that P-G fit in terms of perceived performance goals elicited greater individual satisfactions and contributions. Adkins, Ravilin, and Meglino (1996) examined the impact of P-G fit as co-worker similarity on the evolution of co-worker affect. They found that P-G fit as demographic similarity and behavioral style preferences was significantly associated with overall liking of co-workers and willingness to work with them in the future.

Antecedents of P-E fit. Most studies that examine the antecedents of P-E fit were conducted in the fields of applicant job choice decisions, employee selection, and socialization. Schneider's ASA framework proposes that people and environment are attracted to one another based on their similarity, which influences the applicant job choice behavior and organizations hiring decisions. Thus, both applicant job choice behavior and organizations' hiring practices may be the major antecedents of P-E fit. Empirical research on P-J fit and P-O fit supports this argument (e.g., Adkins, Russell, & Werbel, 1994; Cable & Judge, 1994, 1996, 1997; Judge & Bretz, 1992; Rynes & Gerhart, 1990; Tom, 1971). Following organization entry, individual and organizational socialization practices have been supposed to be another contributor to P-E fit. Some empirical studies demonstrated that socialization helps establish P-O fit between newcomers and organizations (Chatman, 1991; Cable & Parsons, 2001).

Simultaneous impacts of different levels of P-E fit. There is a growing body of research that includes multiple levels of P-E fit simultaneously. O'Reilly et al. (1991) found that P-O fit and P-J fit had independent effects on job satisfaction, commitment, and intentions to quit for accountants. Luuwer and Kristof-Brown (2001) found that employees' perceived P-O fit was a better predictor of intention to quit and contextual performance than perceived P-J fit. Saks and Ashforth (1997) found that P-O fit and P-J fit differently affected new hires' outcomes, including job satisfaction, stress, and turnover. Kristof-Brown, Jansen, and Colbert (2002) investigated how individuals integrate their perceptions of P-O fit, P-G fit, and P-J fit when forming work attitudes. They found that each type of fit had a unique impact on job satisfaction and intention to quit. P-J fit had the greatest impact on work attitudes, followed by P-O fit and P-G fit. They also found that two-way and three way interactions of P-O fit, P-J fit, and P-G fit explained additional variance in work attitudes, suggesting that individuals combined their perceptions of various types of fit using more complicated processes than simple linear integration. Cable and DeRue (2002) included perceptions of supplementary P-O fit, needs-supplies fit, and demands-abilities fit to examine the effect of each type of fit, and found that P-O fit perceptions were related to organizational-focused outcomes, whereas needs-supplies fit perceptions were related to job- and career- focused outcomes.

Unexplored issues

Despite the large number of accumulations of P-E fit studies, there still are unexplored research questions. Two unexplored questions are especially relevant to the international/cross-cultural issues and the process of promoting P-E fit.

First, little research on P-E fit has been conducted in the non-Western context, with a few exceptions (e.g., Turban, Lau, Ngo et al., 2001). Because most of P-E fit studies may have been deeply embedded in the Western or U.S. employment context, we are not certain whether the knowledge from this kind of P-E fit research is also applicable to other employment contexts, such as Asia. Cultural, social, or legal variables may affect the validity of findings from research that was conducted mostly in the U.S.

The second underdeveloped research topic is the process in which organizations promote the ideal level of P-E fit. It is considered that P-E fit is enhanced through individual job choice, employee selection, and socialization practices. However, there are not enough studies that specifically focus on how various human resource practices can influence several types of P-E fit. The way human resource practices enhance P-E fit may differ across culture and nations.

In summary, empirical evidence shows that increasing the level of P-E fit would have a positive impact on individual and organizational outcomes. However, despite the growing number of studies on P-E fit, little research has been conducted in the Asian context and we know little about how organizations promote P-E fit through various management practices. These two unexplored issues are the primary motivation of this paper. That is, the aim of this paper is to explore the way organizations promote different types of P-E fit in the Asian context, especially in Japan. In the next section, I examine the case of Japanese firms to begin exploring the issue of promoting P-E fit or “P-E fit management” in the Asian context.

THE CASE OF JAPANESE FIRMS

In this section, I illustrate how traditional Japanese organizations, especially large Japanese firms, promote multiple levels of P-E fit through their human resource management practices, and how the way is changing in recent years. Before proceeding to the illustration, some notifications should be made in terms of the definition of each type of P-E fit. As reviewed earlier, the concept of P-E fit is complex and multidimensional, and the definitions of several sub-domains of P-E fit could also be complex. However, in order to avoid too much complexity in the following case illustration, I simplify the definitions of P-J fit, P-G fit, and P-O fit, and focus on these three types of P-E fit. Here, P-J fit is defined as the match between individual knowledge, skills, and abilities (KSAs) and job requirements. P-G fit is defined as the degree to which the individual and group members share similar characteristics and meet each other's needs. P-O fit is defined as the similarity between individual characteristics and organizational culture, value, and climate. Other aspects of P-E fit such as the needs-supplies dimension are also discussed later in this section.

Characteristics of Japanese management

A vast amount of literature is available that describes the characteristics of Japanese HRM (e.g., Abegglen, 1958; Koike, 1988; Lincoln & Kalleberg, 1990; Morishima, 1995). The traditional stereotype of Japanese HRM is often characterized as the three pillars: long-term employment, seniority wage and promotion, and enterprise unionism (OECD, 1973). Beyond this simple stereotype, several HRM practices such as broad job classifications, employee participation, extensive in-house skill training, and compensation practices that reward both employee performance and skill development, which are embedded in the long-term employment and enterprise unionism, are increasingly emphasized (e.g., Aoki, 1988; Koike, 1992; Morishima, 1995). Some researchers argue that Japanese HRM is characterized as an employment system whose basic principle is to enhance employee learning, and that

learning of new skills and acquisition of knowledge are explicitly designed, supported and encouraged by various HRM practices (Morishima, 1995; Clegg & Kono, 2002).

From the multiple levels of P-E fit perspective, it is useful to discuss the fundamental characteristics of Japanese firms that correspond to the job, group, and organization levels, before describing specific HRM practices. In terms of the job level, Japanese job classification is simpler and broader, and job assignments are much more fluid and flexible, compared with those in Western firms (Lincoln et al., 1986). Employees are expected to perform a wide range of job functions and accept frequent changes as part of their regular day-to-day operations. Also, individual roles have a lower degree of specialization and careers are structured around a general functional area or a product category, with specific assignments determined by the degree of employees' skill development and existing circumstances such as product demand (Morishima, 1995). These characteristics of the job in Japanese firms indicate that processes that are involved in P-J fit could be seen as more dynamic than in Western firms.

In terms of the group level, Japanese firms are known to emphasize group level activities such as quality circles, cross-functional teams, and problem-solving teams. For example, problem-solving teams are central to *kaizen*, or the continuous improvement process, and are a prominent feature of the work organization of large Japanese manufacturers (Ichniowski & Shaw, 1999). The tradition that Japanese firms emphasize teams in their management indicates that P-G fit has been more critical in the workplace of Japanese firms than that of Western firms.

In terms of the organization level, Japanese firms have been celebrated as clans and enterprise communities whose strong cultures bind employees to them in reciprocal lifetime commitments (Dore, 1987; Lincoln & Nakata, 1997). Some researchers use the concept of "ie" or family as a metaphor of Japanese firms (e.g., Bhappu, 2000). Psychological contracts for core employees of Japanese firms have been best characterized as relational as opposed to transactional, although the situations may be changing these days (Morishima, 1996). The long-term employment relationship and relational psychological contracts enabled by family-like or community-based Japanese organizations indicate that P-O fit has also been fundamental for Japanese firms to function effectively. The characteristics of Japanese organizations as communities are related to the role of external staffing (i.e., recruitment and selection) that are considered to be clearly distinctive from internal staffing (i.e., job assignment and promotion) while the HRM in Western context often discuss staffing as the combination of internal and external staffing. Once new employees are hired from outside of

the firm, they become “members of the community” and thus internal staffing tends to be seen as a clearly separate group of activities from recruitment and selection of new employees.

Based on the characteristics of Japanese firms described above, the ways Japanese firms promote P-E fit through specific HRM practices are illustrated in the following sections. Then, recent changes in Japanese HRM practices that affect how organizations promote P-E fit are discussed.

Recruitment and selection

Hiring for regular, full-time employees in Japanese organizations heavily relies on the recruitment and selection of fresh school graduates without work experience (Morishima, 1995). According to the survey conducted in 1996, 83.7% of the responding firms reported that they emphasized hiring new school graduates while only 1% of the responded firms reported that they focused on hiring mid-career employees (Japan Federation of Economic Organizations, 1997). This fundamental hiring structure may remain in the future.

Typical Japanese firms conduct recruitment and selection on a yearly basis and hire a cohort of fresh school graduates annually in April, instead of conducting recruitment and selection throughout the year as vacancies arise. Job opening information used for recruitment and selection of fresh school graduates is generally broad and sometimes no specific job descriptions are included. This is because the new hires will be expected to hold multiple jobs in their long-term careers within the firm, and most of such knowledge, skills, and abilities (KSAs) will be obtained internally, and thus job applicants may not be expected to have specific KSAs to conduct a particular job. Thus, employment selection focuses less on P-J fit. In fact, even for white-collar technical employees, fewer than 10% of the firms reported primarily emphasizing technical expertise (Fujiwara, 1993). Instead, Japanese firms weigh much on the general employability including conscientiousness and general intelligence in selecting job applicants. Research by the Ministry of Health, Labor and Welfare (2001) reports that Japanese firms weighed aspiration and motivation most, followed by general knowledge, and agreeableness in selecting job applicants. Another research by Japan Institute of Labor (2000) found that 80% of responding Japanese firms emphasized motivation and personality more than knowledge and abilities for applicant selection.

The less emphasis on P-J fit in recruitment and selection is associated with the broad job categories prepared for new hires. Japanese firms traditionally use the following job categories for employee career: blue collar, white-collar administrative and white collar technical. For college graduates, positions are typically classified into white-collar

generalists (sogo-shoku), staff employees (ippan-shoku), and white-collar technical employees (gijutsu-shoku) (Japan Institute of Labor, 2000). White-collar generalists and white-collar technical employees are considered to be core employees, and many of them are expected to step up to the managerial track in the future. In this way, the positions for new hires are usually comparable to the broad job categories within which employees obtain necessary KSAs to do the multiple jobs and develop their career.

The selection process is a combination of resumes, applicant blanks, written tests, and interviews (Japan Institute of Labor, 2000). Especially, large Japanese firms use multi-rater sequential interviewing to assess the qualifications of job applicants. According to the survey by Federation of Japanese Employers, 99.7% of the responding firms reported that interviewing is critical in the selection process (Federation of Japanese Employer, 2001). A similar result about the emphasis of interviewing is also reported by Japan Productivity Center for Socio-Economic Development (JPC-SED) (2002). Because interviewing in Japanese firms is typically used to assess the match between applicants' characteristics and broader organizational attributes and needs, the emphasis on sequential interviewing reflects the importance of P-O fit in selecting employees.

Because the recruitment and selection of Japanese firms are conducted annually through a structured process, HR departments have much control over the entire process. On the other hand, managers and employees who conduct employment interviews and get involved in hiring decisions may often feel uncertain about whether specific applicants will be their subordinates or peers. Therefore, they may not be motivated to use P-G fit as primary selection criteria.

In summary, recruitment and selection in Japanese firms have focused less on P-J fit. Instead, Japanese firms focus on general employability such as personality traits and intelligence. What is more, the relatively high importance of employment interviews suggests they focus more on P-O fit than other types of fit. P-G fit may also be less emphasized especially when there is uncertainty about which department and what job the new hire will be assigned.

Orientation, initial job assignment and socialization

As described above, Japanese firms appear to consider P-O fit as the most important among multiple levels of P-E fit in recruitment and selection, along with general employability. However, once new employees enter the organization, the importance of P-J fit and P-G fit in management will become more critical. The role of employee orientation and initial training, initial job assignment, and subsequent socialization practices in Japanese

firms is to enforce P-O fit and tentatively match individuals with jobs and groups to promote P-J fit and P-G fit.

New hires to Japanese firms typically attend employee orientation and initial training, and then assigned to the specific departments and jobs. Especially, employee orientation and initial training for new hire is often extensive (Ichniowski & Shaw, 1999). The major purpose of these extensive orientation and training is to socialize new hires to enforce P-O fit. Even initial training is just to teach general skills for most of the new hires without work experience, and thus not intended to increase P-J fit. Rather, gathering all new hires in the same place in initial training would increase the effectiveness of socialization.

Usually, HR departments in large Japanese firms have discretion to determine the initial job assignments for new hires (e.g., Sato, et al. 2001). Sometimes new hires are not certain what kind job of or which department they are assigned until they start working for the firm. Because most of the fresh school graduates are without significant work experience, there is often much uncertainty regarding whether they will fit well with their immediate jobs and work groups. Although initial assignments may be based on careful assessments of the new hire's characteristics and potential, it can be interpreted as a "tentative" attempt to create P-J fit and P-G fit. This means that there will be a lot of opportunities to detect P-J or P-G misfit afterwards, and solve the misfit through various HRM practices such as training and internal staffing.

With regard to subsequent socialization practices, many Japanese firms conduct non-job related company activities, and some of them are included in the official company-sponsored training programs. The non-job related activities include recreational and athletic events, workplace or dinner parties, pleasure trips by employee groups, and employee meetings before and after work (Umetani, 1995). These activities are intended to socialize new and current employees and increase their fit with corporate goals, culture, and norms. Also, it may help employees to interact with their immediate supervisors, peers, and subordinates, which would promote P-G fit.

In summary, employee orientation, initial job assignments and subsequent socialization practices are intended to enforce P-O fit that is established in recruitment and selection, and tentatively match individuals with jobs and groups to promote P-J fit and P-G fit.

Training and job rotation practices

As discussed earlier, Japanese firms have been placing greater weight on employee learning and skill development through their long-term careers. As such, typical large

Japanese firms use extensive on-the-job training (OJT) with intermittent off-the-job training (Off-JT), and job rotation practices for employee learning and skill development.

Most large Japanese firms use combinations of OJT and Off-JT to develop employees, but OJT is what makes Japanese training systems clearly distinctive. Off-JT is usually offered as off-site, employer-provided classroom programs. The major function of OJT is to train employees to strengthen their problem solving and decision making skills for routine and non-routine jobs (Koike, 1992). Especially, abilities to detect, diagnose, and find solutions for problems in operation, or what Koike calls “intellectual skills,” are emphasized in OJT. Usually, OJT is accompanied by extensive coaching by supervisors or peers. If OJT is conducted in a team-based workplace, it also functions as socialization to the group and contributes to promoting P-G fit.

Through extensive OJT and intermittent Off-JT, employees in large Japanese firms are encouraged to upgrade their KSAs continuously to adapt technological changes and the newly created and assigned jobs within the firm. From this point, P-J fit in Japanese firms may be described as relatively dynamic, with both individuals and jobs evolving to adjust to environmental and technological changes. It can be said that long-term employment relationships, flexible and broad job classifications, and learning-oriented HRM practices in Japanese firms enable this dynamic P-J fit process.

Job rotation practices or frequent job assignment changes for both blue-collar and white-collar employees is one of the distinctive characteristics of Japanese HRM. An organization-wide job rotation practice is usually called “*jinji ido*” or employee moves, suggesting that job rotation practices do not only mean job assignment changes but it also means department or group assignment changes, too (Kanai, Suzuki, & Matsuoka, 1998). Thus, job rotation practices or employee moves are closely related to the relationship of individuals with jobs and groups within the firm (i.e., P-J fit and P-G fit).

The role of HR departments is critical in the organization-wide employee move. HR departments often take an active role in gathering information on individual performance evaluation and assessments, and balancing and coordinating the employee move in order to increase the level of P-J fit and P-G fit. Evidence suggests that most employee moves are determined jointly by corporate-level HR departments and managers in charge of the operation (Yashiro, 1992; Sato, et al. 2001).

Typically, individual experience of job rotation occurs within what Nakamura (1993) calls a “career field.” Career field can be defined by either a function (e.g., marketing, finance) or a product category (e.g., steel products, petrochemical products). Employees are

systematically moved so the jobs they hold touch upon the entire career field, resulting in what Koike (1993) calls “broad specialization”. For example, a person who is assigned to the marketing and sales field (and is expected to develop a career in this field) might start with a job in charge of production control at a local plant to gain familiarity with a specific product category and the process of making these products, then move to a local branch sales office taking charge of sales of products in this category, and finally transfer to the sales and marketing department at the headquarters.

Within each formal assignment, there are a number of informal changes in duties that take advantage of broad and flexible jobs (Nakamura, 1993). In many Japanese firms, a bundle of jobs are assigned to work groups in which group leader has some degree of discretion over job assignments within the group (Ito, 1994). Thus, within groups job rotation is also conducted without formal job assignment changes.

Employee move from one career field to different one (e.g., production field to administrative field) also occurs occasionally. Employees may also be transferred to different fields only for a few years and will return to their own field after that. The move to the different career fields may reflect the fact that individuals who are considered to be P-J and/or P-G misfit are provided an opportunity to improve their P-J fit and/or P-G fit through drastic assignment changes. Thus one role of the job rotation practices is to solve P-J or P-G misfit within the firm. However, the way to detect misfit is not necessarily formal and systematic. The way individuals express misfit with their job or group is often informal, and sometimes political. They may use after work meetings or parties to discuss the misfit with their immediate supervisors, peers, and so on.

Frequent job assignment changes or employee move are also used to develop organizational knowledge and skills that are required for coordination of work within a firm, across divisions, departments, teams, and individual workers. These contextual knowledge and skills are associated with the firm-specific KSAs or human capital (Becker, 1964). This suggests that frequent job assignment changes enhance another type of P-O fit: the fit between individual ability and organization-specific KSAs that are required for organizations to function well.

In summary, extensive OJT and job rotation practices enable Japanese firms to promote P-J fit and P-G fit while solving P-J and P-G misfit. These practices give opportunities for organizations to assess the potential of each individual, evaluate individual characteristics and skill development, detect P-J misfit, and determine the best job or career field from a long-term perspective. These practices also enhance P-G fit because their

function includes group-level socialization, and individuals who are misfit with current work-groups have an opportunity to be moved to different work-groups. Because jobs in Japanese firms are broad and fluid, employees are expected to learn new skills through OJT and Off-JT, and employee move is conducted periodically. Therefore promoting P-J fit and P-G fit within Japanese firms is a dynamic process. Joint efforts of managers and HR departments promote and keep ideal levels of P-J fit and P-G fit within the firm. These practices also contribute the different type of P-O fit, namely, the match between individual abilities and organizational demands in terms of organization-specific KSAs.

Compensation, promotion, and supervisory assessments

Compensation, promotion, and supervisory assessments in Japanese firms also support organizations in promoting ideal levels of P-E fit. Compensation and promotion in Japanese firms are usually determined by the combination of seniority and individual assessment results, and many of large Japanese firms employ an ability-grading system (*shokuno-shikaku-seido*) for such decisions. With ability-grading systems, employee abilities or potentials are assessed through supervisory assessments, which provide the basic information regarding the compensation and promotion decisions for individual employees. The concept of supervisory assessments in Japanese firms is similar to, but not equal to the concept of performance appraisal in Western firms. While performance appraisal in Western firms basically focuses on performance itself, supervisory assessments in Japanese firms includes assessment of employee attitudes and abilities as well as performance.

Usually, the total compensation package in Japanese firms consists of base pay, bonus and benefits. Under the ability-grading system, base pay is determined by the combination of seniority and ability grade. Bonuses account for about 30% of the total cash compensation, and are based primarily on firm profitability as well as individual or group performance. Thus, seniority, ability grade, and the firm's economic prosperity affect the larger portion of total compensation, and within-firm individual differences in pay related to short-term job performance are relatively small.

Under the ability-grading system, promotion is usually considered as moving up the dual hierarchies with the firm: the move along the line hierarchy in terms of positions (e.g., manager, senior manager) and the move along the line hierarchy of ability grades. One of the distinctive characteristics of promotion in large Japanese firms is what Koike (1992) calls "late promotion" or what Wakabayashi and Graen (1989) call "slow progress." This characteristic means selection for specific levels (e.g., managerial track) does not occur in the early years of an employee career. It also means that short-term individual performance does

not immediately affect promotion decisions especially for junior employees but that accumulation of supervisory assessments on individual ability and performance will be used later in selecting employees for advancement.

The fact that compensation and promotion decisions are loosely tied to the job and individual performance appears to fit nicely with the dynamic process of promoting P-J fit and P-G fit within Japanese firms. Both organizations and individuals are able to focus on promoting P-G fit and P-J fit through the continuous attempt to detect misfit and resolve it, which is usually done by trials and errors. Again, the fundamental characteristics of Japanese HRM, such as broad job specifications, learning orientation, and frequent job assignment changes, are closely related to these compensation and promotion systems, mutually reinforcing the promotion of P-E fit. Also, the weak link between individual short-term performance and decisions on compensation and promotion, and contingent rewards based on the firm's economic prosperity, contribute to the creation of a cooperative atmosphere within the firm, and thus encouraging individuals to fit with groups and organizations.

In summary, compensation, promotion and supervisory assessments support organizations as they promote P-E fit because the their loose link to jobs and individual performance enables the individuals and organizations to continuously enhance P-E fit through detecting misfit and resolving it. Especially, these practices serve as incentives to motivate individuals to obtain necessary KSAs to fit the jobs, cooperate with group members, and develop emotional bonds with organizations, thereby contributing to the promotion of P-J fit, P-G fit, and P-O fit.

Recent changes

More or less, researchers have pointed out that Japanese HRM is transforming (e.g., Ornatowski, 1998; Lincoln & Nakata, 1997; Sato, 1997). Attempting to abandon life-long employment and introducing performance-based rewards and promotion systems (seikasyugi) are among the most discussed changes in Japanese HRM (Ornatowski, 1998; Lincoln & Nakata, 1997; Morishima, 1999). However, changes regarding how to promote the ideal level of P-E fit are also occurring.

Generally speaking, there are mainly two approaches to increase fit between individuals and environment. The first approach is selection, which means selecting the right person for the right environment. The second approach is individual choice, which means to provide individuals with autonomy to choose the appropriate environment that fits well with them. From this point of view, Japanese firms have relied primarily on the selection approach to promote P-E fit. On the other hand, recent changes in promoting P-E fit can be

described as the move from the heavy focus on the selection approach toward an increasing use of the individual choice approach.

Two relatively new HRM practices represent these changes. They are internal job posting systems and free-agent systems. Under internal job-posting systems, a department or work-group posts a vacancy notice within the firm, and individuals who wish to move to the department or group can apply to the position. These systems provide employees with opportunities to apply for the position that would be better fit for them. Also, individuals who feel misfit with their current job or group have a chance to express their needs to change their assignment through the formal application process. According to a survey conducted by JPC-SED (2003), 34% of the responding firms reported that they had already introduced internal job posting systems, and the figure increases to 67.6% if only firms with over 5,000 employees are considered. This study also reports that the number of firms that adopted internal job posting has been increasing rapidly since the beginning of 1990s.

Free-agent systems are similar to free-agent drafts conducted for professional sports players. Under these systems, individuals who have significant skills and have exhibited excellent performance can declare themselves as “free-agents” within the firm. Then, interested departments or work-groups will negotiate with the individuals about possible transfers. The survey by JPC-SED (2003) reports that 2.7% of responding firms had already introduced free-agent systems, 10.6% are under planning, and 36.9% are interested in the systems. Internal job posting and free-agent systems are intended to increase employee mobility based on employee autonomy and choice within the firm. These changes can also be interpreted as the increasing focus on the needs-supplies dimension of P-E fit (i.e., fit between employee needs and environmental supplies). Because promoting P-E fit through the firm-centered selection approach may tend to focus only on demands-abilities side, these trends reflect the attempt of Japanese firms to balance between demands-abilities P-E fit and needs-supplies P-E fit to create ideal P-E fit. Focusing on employee autonomy and choice also suggests that the importance of person-vocation (P-V) fit is increasing as well in Japan. This is a natural phenomenon considering many Japanese firms attempt to abandon life-long employment, and accordingly the individual career self-reliance or employability is becoming more important for Japanese workers.

Another change in Japanese HRM practice that is associated with promoting P-E fit is the gradual movement toward emphasizing P-J fit in external staffing. These changes are represented by three trends: the hiring of fresh school graduates for specific and narrower job categories, the increase of hiring mid-career employees, and the growing use of externalized

workforce. The tendency to prepare more specific and narrower job categories for school graduates is growing. According to a survey, the percentages of the firms that hired new school graduates for specific and narrower job categories were 21.9% for hiring liberal art graduates, and 32.6% for hiring natural science graduates (Japan Federation of Economic Organizations, 1997). The match between individual KSAs and job requirements (i.e., P-J fit) becomes more salient when hiring people for specific and narrower job categories. Hiring mid-career employees is also gradually increasing (Japan Federation of Economic Organizations, 1997). Contrary to the case of hiring fresh school graduates, Japanese firms focus more on P-J fit as well as P-O fit in hiring mid-career employees. For example, job experience and technical knowledge and skills are among the most important factors in hiring mid-career employees (Ministry of Health, Labor and Welfare, 2001). This is because firms may expect these employees to exhibit immediate performance and the jobs are often more specifically determined for the new hires. Externalized workforces such as part-time, temporary, and contract work are increasing year after year (Statistics Bureau, 2002). P-J fit is salient in the use of the externalized workforce because the jobs and necessary KSAs for such workforce are usually clearly specified (Sekiguchi, 2003). This trend toward emphasizing P-J fit in external staffing indicates that Japanese firms are beginning to expect immediate job performance for new hires, partly because of Japan's long economic downturn. In this case, the match between individual KSAs and job requirements may be an appropriate way to predict short-term job performance.

Finally, introducing performance-based rewards and promotion systems, which is one of the most discussed changes in Japanese HRM practices, is also influencing the promotion of P-E fit in some way. Linking individual performance with pay and promotion more tightly may accelerate the speed of promoting P-J fit and P-G fit within Japanese firms. This is because under such systems, individuals need to seek better fit with their jobs and work-groups as fast as possible in order to obtain immediate job performance. Organizations also need to increase support for their employees to promote P-J fit and P-G fit because it is unfair to use performance-based rewards and promotion without providing opportunities that employees can find their best jobs and co-workers (i.e., ideal P-J fit and P-G fit) faster than before. Internal job postings, free-agent systems, and increased focus on P-J fit in external staffing, which are already discussed in this section, are all consistent with this view.

In summary, recent trends of Japanese HRM transformation suggest that Japanese firms are introducing more employee autonomy and choice in promoting ideal levels of P-E fit. This can be interpreted as Japanese firms' attempt to improve the effectiveness of

promoting P-E fit by stimulating needs-supplies dimensions, as well as supplementary and demands-abilities dimensions of P-E fit. Another trend is the increasing focus on P-J fit in external staffing. This trend is reflected in hiring fresh school graduates for specific job categories, the increase of hiring mid-career employees, and the growing use of externalized workforce. These trends are consistent with the introducing performance-based compensation and promotion in many Japanese firms in terms of accelerating the speed of promoting P-J fit and P-G fit within organizations.

Summary of the Japanese case illustration

Table 1 summarizes the way Japanese firms promote P-E fit illustrated so far, and Figure 1 depicts how P-O fit, P-G fit, and P-J fit for traditional Japanese employees (i.e., those who are hired directly from schools and remain one organization for a long time) evolve from organizational entry through their long-term commitment with organizations.

 Insert Table 1 about here

 Insert Figure 1 about here

Due to the fundamental characteristics of Japanese management, external staffing (e.g., recruitment and selection) is considered clearly distinct from internal staffing (job rotation and promotion). For recruitment and selection, P-O fit appears to be the most important among different types of P-E fit, aside from general employability. Therefore, the level of P-O fit for newcomers are relatively high at the time of organizational entry. On the other hand, the levels of P-G fit and P-J fit are relatively low at the time of organizational entry because fresh school graduates do not have significant work experience and Japanese firms do not emphasize P-G fit and P-J fit at the time of hiring. After the organizational entry, various HRM practices promote P-J fit and P-G fit as well as P-O fit. P-O fit will be strengthened through a number of socialization practices. Promoting P-J fit and P-G fit within Japanese firms are dynamic. As Figure 1 illustrates, there are sometimes ebbs and flows of the levels of P-G fit and P-J fit, reflecting the effort of using trials and errors to create best environment (i.e., ideal levels of P-E fit) for each individual. Specifically, the process of initial job assignment, training, and employee move attempts to match people and situations, detects misfit, and solves it, and thus contributes to the enhancement of P-J fit and P-G fit within the firm. Promotion, compensation, and supervisory assessments as well as other HRM practice support these dynamic processes of promoting P-J fit and P-G fit.

Recent changes in Japanese HRM practices reflect the shift from the firm-centered approach (i.e., selection) to the employee-centered approach (i.e., autonomy and choice) in terms of promoting P-E fit. Also, gradual movement toward focusing on P-J fit in recruitment and selection is being observed. Introducing performance-based compensation and promotion in many Japanese firms can also be interpreted as the attempt to accelerate the speed of promoting P-J fit and P-G fit within organizations.

DISCUSSION

Despite a growing body of literature on P-E fit, the issue of how organizations actually promote ideal levels of P-E fit remains unexplored. Also, few P-E fit studies have examined the non-Western context. This paper has shed light on these issues. The case of Japanese firms illustrated in the previous section would serve as an example that the specific cultural or national context may affect the way organizations can promote ideal levels of P-E fit. For example, the characteristics of Japanese organizations reflect cultural or national characteristics of Japan, and Japanese HRM is often embedded in the institutional or socio-economic context of Japan. These characteristics of Japanese firms and HRM practices in turn contribute to the unique way in promoting different types of P-E fit within the firm. The case illustration also suggests that relative importance of different types of P-E fit differs according to the stages of organizational entry and subsequent individual careers within the firm. Again, cultural or national factors may exert much influence on such relative importance of P-E fit in different human resource practices.

Understanding of P-E fit promotion through this Japanese case illustration has implications for managers. First, managers should understand that different types of human resource practices (e.g., staffing, rewarding, and developing) play different roles in promoting various types of P-E fit. Some practices may be designed exclusively to promote a certain type of P-E fit (e.g., P-O fit only) and other practices may be designed to promote various types of P-E fit simultaneously. Suppose corporate managers' ultimate goal is to create ideal level of fit in every aspect of P-E fit, they should carefully craft their human resource practices that effectively promote many dimensions of P-E fit. Second, managers should take into account the cultural and institutional factors that affect how to promote P-E fit. Especially, multinational enterprises and foreign firms that operate specific regions may need to understand these factors because even powerful foreign firms may often be forced to conform to the cultural or institutional norms of management practices in the specific regions (Robinson, 2003).

In the following, I discuss future research directions that would contribute the deeper understanding of P-E fit management in the Asian region. Three major research topics should be worth discussing. The first one is the comparison between Western and Asian firms. The second one is the analysis of the similarities and differences among Asian countries regarding P-E fit promotion. The third one is to theorize a general model of P-E fit management that includes international/cross-cultural variables.

Comparison between Western and Asian firms

Comparison between Western firms and Asian firms in terms of the P-E fit promotion would provide us with practical and theoretical implications. From the illustration of the Japanese case, it is predicted that the way Asian firms promote P-E fit may be somewhat different from that of Western firms. For example, if we look at the United States and Japan specifically, staffing practices in the U.S. typically mean, “finding a person who fits the existing or newly created job,” while staffing practices in Japan typically mean, “hiring a person who fits the organization, then assigning the appropriate job or tasks based on his/her potential or post-employment skill development.” In general, the collectivistic nature of the Asian culture suggests that P-O fit and P-G fit, especially the similarity among people or their values, might be more important in Asian countries than in Western countries. On the other hand, person-job fit, as is the traditional approach in U.S. and Western hiring practice, might be relatively less important in the Asian context because jobs in Asian context may be more broad and less clear than those in the Western context.

Time orientation may also be associated with the difference between Western firms and Asian firms in terms of the P-E fit promotion. In general, Asian countries are ranked high in long-term orientation, while many Western countries are considered to be short-term orientated (Hofstede, 1991). In this case, Asian firms may tend to use trials and errors to promote P-E fit within the organizations from a long-term perspective, while Western firms may try to create a high level of P-E fit quickly by such ways as defining positions and organizational structure clearly, and matching people and jobs, groups, and organizations carefully at the time of hiring decisions.

Because this paper has focused only on the case of Japanese firms, in-depth case studies of HRM practice in other Asian countries would contribute to the further understanding of the similarities and differences between Western and Asian firms in terms of the P-E fit management.

Convergence and divergence in Asia

Another important research topic is the investigation of intra-regional convergence and divergence within Asia in terms of P-E fit promotion. Some empirical studies indicate that HRM practices in Asian countries have both similarities and dissimilarities (e.g., Huo, Huang, & Napier, 2002; Milliman, Nason, Zhu & Cieri, 2002). According to Rowley and Benson (2000), there are four major approaches that explain convergence and divergence of various management practices in the global context. The convergence approach assumes that the process of industrialization and the spread of advanced technology would move all countries toward political and economic systems similar to that of the United States (Harbison & Myers, 1959). Thus, it supports a universalistic view that explains convergence of management practices across countries. The contingency approach states that a range of factors, such as differences in technology or stability of environment in which firms operate, is important and affects management practices (Heenan & Perlmutter, 1979). The cultural approach states that organizations are “culture-bound.” Thus, there are no universal answers to the problems of organization and management: rather, there are distinct “national economic cultures” (Hofstede, 1980). The institutional approach argues that the traditional values and practices are embedded in a country’s social and economic institutions (Whitley, 1992).

Each of these approaches has strengths and limitations, and thus, there would be no correct answer about which is the best approach to explain the convergence and divergence of HRM practices within the Asian region. Therefore, future research should consider more than one perspective to analyze the similarities and differences among Asian countries regarding how organizations promote P-E fit through a variety of management practices.

Toward a general model of P-E fit management

The accumulation of P-E fit studies in Asian and other countries would enable us to theorize a general model of P-E fit management that explains how organizations promote ideal levels of P-E fit. The general model may include contingency variables such as cultural, social, economic, and other national factors to determine the best way to promote ideal levels of P-E fit. Data from in-depth case studies in many countries can be used to derive the model, and such data can also be used to examine the validity of the model. Large sample size studies on international/comparative human resource practices would also be useful to test such a model.

Developing the general model would help managers in different countries or multinational enterprises to plan, coordinate or improve the process of promoting P-E fit

through various HRM practices in order to increase individual and organizational performance.

In conclusion, there are a lot of opportunities to study P-E fit in the Asian region. Especially, investigating how Asian firms promote P-E fit through a variety of HRM practices would provide us with many implications for both theory and practice from international and cross-cultural perspective. This investigation would tell us about the similarities and differences between Western and Asian firms in terms of P-E fit management, and about convergence and divergence within the Asian region regarding the basic process and actual practices to promote P-E fit. Furthermore, developing a general model for P-E fit promotion would be possible based on the accumulation of in-depth understanding of the Asian and other regions' HRM practices. Future research would enable practitioners in Asian and multinational firms to understand and improve the process of promoting P-E fit.

REFERENCES

- Abegglen, J. C. (1958). The Japanese Factory: Aspects of its Social Organization. Chicago, IL: Free Press.
- Adkins, C. L., Russell, C. J., & Werbel, J. D. (1994). "Judgments of fit in the selection process: The role of work value congruence." Personnel Psychology, 47, 605-623.
- Adkins, C. L., Ravilin, E. C., & Meglino, B. M. (1996). "Value congruence between co-workers and its relationship to work outcomes." Group and Organizational Management, 21, 439-460.
- Aoki, M. (1988). Information, Incentives and Bargaining in the Japanese Economy. Cambridge: Cambridge University Press.
- Argyris, C. (1957). "Some problems in conceptualizing organizational climate: A case study of a bank." Administrative Science Quarterly, 2, 501-520.
- Becker, G. S. (1964). Human Capital. New York: Columbia University Press.
- Bhappu, A. D. (2000). "The Japanese family: An institutional logic for Japanese corporate networks and Japanese management." Academy of Management Review, 25 (2), 409-415.
- Boxx, W. R., Odom, R. Y., & Dunn, M. G. (1991). "Organizational values and value congruency and their impact on satisfaction, commitment, and cohesion." Public Personnel Management, 20, 195-205.
- Bretz, R. D., & Judge, T. A. (1994). "Person-organization fit and the theory of work adjustment: Implications for satisfaction, tenure, and career success." Journal of Vocational Behavior, 44, 32-54.
- Buckley, M. R., & Russell, C. C. (1997). "Meta-analytic estimates of interview criterion-related validity: A qualitative assessment." In R. W. Eder and M. M. Harris (Eds.), The employment interview: Theory, research, and practice. Beverly Hills, CA: Sage.
- Cable, D. M., & DeRue, D. S. (2002). "The convergent and discriminant validity of subjective fit perceptions." Journal of Applied Psychology, 87 (5), 875-884.
- Cable, D. M., & Judge, T. A. (1996). "Person-organization fit, job choice decisions, and organizational entry." Organizational Behavior and Human Decision processes, 67, 294-311.
- Chatman, J.A. (1989). "Improving interactional organizational research: A model of person-organization fit." Academy of Management Journal, 14 (3), 333-349.

- Chatman, J. A. (1991). "Matching people and organizations: Selection and socialization in public accounting firms." Administrative Science Quarterly, 36, 459-484.
- Clegg, S., & Kono, T. (2002). "Trends in Japanese management: An overview of embedded continuities and disembedded discontinuities." Asia Pacific Journal of Management, 19, 269-285.
- Downey, H. K., Hellriegel, D., & Slocum, J. W. Jr. (1975). "Congruence between individual needs, organizational climate, job satisfaction and performance." Academy of Management Journal, 18, 149-155.
- Dore, R. (1987). Taking Japan Seriously. London: Athlone Press.
- Edwards, J. R. 1991. "Person-job fit: A conceptual integration, literature review, and methodological critique." In C. L. Cooper & I. T. Robertson (Eds.), International review of industrial and organizational psychology, Vol. 6, 283-357. New York: Wiley.
- Fujiwara, M. (1993). "Hiring and staffing." In M. Tsuda (ed.), Personnel Management. Tokyo: Minera Publishing Co., pp. 107-120 (in Japanese).
- Fuxman, L. (1999). "Teamwork in manufacturing: The case of the automotive industry." International Journal of Commerce and Management, 9, 103-131.
- Goodman, S. A., Svyantek, D. J. (1999). "Person-organization fit and contextual performance: Do shared values matter." Journal of Vocational Behavior, 55, 254-275.
- Harbison F. & Myers, C. (Eds.) (1959). Management in the Industrialized World. New York, NY: McGraw Hill.
- Heenan D. A., & Perlmutter, H. V. (1979). Multinational Organization Development. Reading, MA: Addison-Westley Longman.
- Hofstede, G. (1980). Culture's Consequences: International Differences in Work-Related Values, London: Sage.
- Hofstede, G. (1991). Cultures and Organizations: Intercultural Cooperation and Its Importance for Survival. New York: McGraw-Hill.
- Holland, J. L. (1985). Making vocational choices. Englewood Cliffs, NJ: Prentice-Hall.
- Ichniowski, C., & Shaw, K. (1999). "The effects of human resource management systems on economic performance: An international comparison of U.S. and Japanese plants." Management Science, 45 (5), 704-721.
- Ito, H. (1994). "Japanese human resource management from the viewpoint of incentive theory." In M. Aoki & R. Dore (Eds.), The Japanese firm: The source of competitive strength, pp. 233-264, Oxford, UK: Oxford University Press

- Japan Federation of Economic Organizations (JFEO) (1997). Survey on the Change in Corporate Staffing and Training Practices. The Conference on Creative Human Resource Development, Japan Federation of Economic Organizations (in Japanese).
- Japan Federation of Employers' Associations (Nikkeiren) (2001). Survey on the Recruitment of Fresh School Graduate, 2001. Tokyo, Nikkeiren.
- Japan Institute of Labor (2000). College Recruitment and Human Resource Management in Transition: JIL Research Report No. 128. Tokyo: Japan Institute of Labor (in Japanese).
- Japan Productivity Center for Socio-Economic Development (JPC-SED) (2002). Survey on the Recruitment of Fresh School Graduate. Tokyo, JPC-SED (in Japanese).
- Japan Productivity Center for Socio-Economic Development (JPC-SED) (2003). Survey on the Transformation of Japanese Human Resource Management. Tokyo, JPC-SED (in Japanese).
- Kanai, T., Suzuki, R., & Matsuoka, K. (1998). "Career Development and Individual-Organization Relationship." The Monthly Journal of the Japan Institute of Labor, 40 (5), 13-26 (in Japanese).
- Koike, K. (1988). Understanding Industrial Relations in Modern Japan. London: Macmillan.
- Koike, K. (1992). "Human resource development and labor-management relations." In K. Yamamura and Y. Yasuba (Eds.), The Political Economy of Japan, Vol. 1: The Domestic Transformation. Stanford: Stanford University Press, pp. 289-330.
- Koike, K. (1993). "Human resource development among college graduates in sales and marketing." In K. Koike (ed.), An International Comparison of Professionals and Managers, JIL Report No. 2. Tokyo: Japan Institute of Labor, pp. 42-64.
- Kristof, A. L. (1996). "Person-organization fit: An integrative review of its conceptualizations, measurement, and implications." Personnel Psychology, 49 (1), 1-49.
- Kristof-Brown, A. L., Jansen, K. J., & Colbert, A. (2002). "A policy-capturing study of the simultaneous effects of fit with jobs, groups, and organizations." Journal of Applied Psychology, 87 (5), 985-993.
- Kristof-Brown, A. L., & Stevens, C. K. (2001). "Goal congruence in project teams: Does the fit between members' personal mastery and performance goals matter?" Journal of Applied Psychology, 86, 1083-1095.

- Lauver, K. J., & Kristof-Brown, A. (2001). "Distinguishing between employees' perceptions of person-job and person-organization fit." Journal of Vocational Behavior, 59, 454-470.
- Lewin, K. (1951). Field theory in social science. New York: NY, Harper & Row.
- Lincoln, J. R., & Hamada, M., & McBride, K. (1986). "Organizational structures in Japanese and U.S. Manufacturing." Administrative Science Quarterly, 31, 338-364.
- Lincoln, J. R., & Kalleberg, A. L. (1990). Culture, Control, and Commitment: A Study of Work Organization and Work Attitudes in the U.S. and Japan. Cambridge, UK: Cambridge University Press.
- Lincoln, J. R., & Nakata, Y. (1997). "The transformation of the Japanese employment system." Work and Organizations, 24 (1), 33-55.
- McDaniel, W. A., Whetzel, D. L., Schmidt, F. L., & Maurer, S. D. (1994). "The validity of employment interviews: A comprehensive review and meta-analysis." Journal of Applied Psychology, 79, 599-616.
- Ministry of Health, Labor and Welfare (2001). Survey on Employment Management. Tokyo: Ministry of Health, Labor and Welfare.
- Moore, P. M., & Jennings, P. D. (Eds.) (1995) Human Resource Management on the Pacific Rim: Institutions, Practices, and Attitudes, Berlin, Walter de Gruyter.
- Morishima, M. (1995). "The Japanese human resource management: A learning bureaucracy." In L. F. Moore & P. D. Jennings (Eds.). Human Resource Management on the Pacific Rim: Institutions, Practices, and Attitudes, Berlin, Walter de Gruyter, 119-150.
- Morishima, M. (1996). "Renegotiating psychological contracts: Japanese style." In C. L. Cooper & D. M. Rousseau (Eds.), Trends in Organizational Behavior, Vol. 3, Chichester, UK, John Wiley & Sons, 139-158.
- Morishima, M. (2002). "Pay practices in Japanese organizations: Changes and non-changes." Japan Labor Bulletin, 41 (4), 8-13.
- Muchinsky, P. M., & Monahan, C. J. (1987). "What is person-environment congruence? Supplementary versus complementary models of fit." Journal of Vocational Behavior, 31, 268-277.
- Nakamura, M. (1993). "Career structure of college graduates in Japanese Manufacturing." In K. Koike (ed.), An International Comparison of Professionals and Managers, JIL Report No. 2. Tokyo: Japan Institute of Labor, pp. 67-85.

- OECD (Organization for Economic Cooperation and Development) (1973). Manpower Policy in Japan. Paris: OECD.
- O'Reilly III, C. A., Chatman, J., & Caldwell, D. F. (1991). "People and organizational culture: A profile comparison approach to assessing person-organization fit." Academy of Management Journal, 34 (3), 487-516.
- Ornatowski, G. K. (1998). "The end of Japanese-style human resource management?" Sloan Management Review, Spring, 1998, 73-83
- Powell, G. N. (1998). "Reinforcing and extending today's organizations: The simultaneous pursuit of person-organization fit and diversity." Organizational Dynamics, 26 (3), 50-61.
- Robinson, P. A. (2003). "The embeddedness of Japanese HRM practices: The case of recruiting." Human Resource Management Review, 13, 439-415.
- Rowley, C. (Ed.) (1998). Human Resource Management in the Asia Pacific Region: Convergence questioned. London: Frank Cass.
- Rowley, C., & Bensonm J. (2000). "Convergence and divergence in Asian human resource management." California Management Review, 89-109
- Rynes, S. L., & Gerhart, B. (1990). "Interviewer assessments of applicant "fit": An exploratory investigation." Personnel Psychology, 43, 13-35.
- Saks, A. M., & Ashforth, B. E. (1997). "A longitudinal investigation of the relationships between job information sources, applicant perceptions of fit, and work outcomes." Personnel Psychology, 50, 395-426.
- Sato, H. (1997). "Human resource management systems in large Japanese firms." In H. Sato & M. Sako (Eds.), Japanese Labour and Management in Transition: Diversity, flexibility and participation, London: Routledge, 104-130.
- Sato, H., et al. (2001). Promotion and staffing of white-collar college graduates and the role of HR departments. JIL Report, Vol. 111, Tokyo: Japan Institute of Labor (in Japanese).
- Schneider, B. (1987). "The people make the place." Personnel Psychology, 40, 437-454.
- Sekiguchi, T. (2003, August). "A contingency perspective on the importance of P-J fit and P-O fit in employee selection." Paper presented at the Annual Conference of Academy of Management, Seattle, WA, August 2003.
- Statistics Bureau, (2002). Labor Force Survey 2002. Tokyo: Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications.

- Tom, V. R. (1971). "The role of personality and organizational images in the recruiting process." Organizational Behavior and Human Performance, 6, 573-592.
- Turban, D. B., Lau, C.M., Ngo, N.Y., Chow, I.H.S., & Si, S., (2001). "Organizational attractiveness of firms in the People's Republic of China: A person-organization fit perspective." Journal of Applied Psychology, 86, 194-206.
- Tziner, A. (1987). "Congruency issue retested using Fineman's achievement climate notion." Journal of Social Behavior and Personality, 2, 63-78.
- Umetani, S. (1995). "Enterprise Training in Japan : A Summary of Findings." Conference on Enterprise Training Strategies and Productivity. Japan Institute of Labor (Ed.). Study on Company training and Productivity, JIL Research Report No. 81. Tokyo: Japan Institute of Labor (in Japanese).
- Van Vianen, A. E. M. (2000). "Person-organization fit: The match between newcomers' and recruiters' perceptions for organizational cultures." Personnel Psychology, 53 (1), 113-149.
- Wakabayashi, M. and Graen, G. (1989). "Human resource development of Japanese Manufacturers: Leadership and career investment." In A. Nedd, G.R. Ferris, and K.M. Rowland (eds.), Research in Personnel and Human Resource Management, Suppl. 1. Greenwich, CT: JAI Press, pp. 235-256.
- Walsh, W. B. (1987). "Person-environment congruence: A response to the Moos perspective." Journal of Vocational Behavior, 31, 347-352.
- Werbel, J. D., & Gilliland, S. W. (1999). "Person-environment fit in the selection process." In Ferris G. R. (Ed.), Research in Personnel and Human Resource Management, Vol. 17, 209-243. Stamford, CT: JAI Press.
- Werbel, J. D., & Johnson, D. J. (2001). "The use of person-group fit for employment selection: A missing link in person-environment fit." Human Resource Management, 40 (3), 227-240.
- Whitley, R. (1992). Business Systems in East Asia: Firms, Markets and Society. London: Sage.
- Yashiro, A. (1992). "The organization and function of personnel departments in large Japanese companies." The Studies of the Japan Institute of Labor, 4, pp. 13-24 (in Japanese).

Table 1. Summary of the Way Japanese Firms Promote P-E Fit

Characteristics of Japanese management

- Learning-oriented HRM based on the long-term employment
- Job level: Flexibly and broadly defined job classifications
- Group level: Emphasis on groups and teams
- Organization level: Community-based or family-like organizations

Recruitment and selection

- Clearly distinct from internal staffing practice
- Less focus on P-J fit
- Less focus on P-G fit especially if post-hire assignments are not determined
- Great weight on P-O fit as well as general employability

Orientation, initial job assignment and socialization

- Orientation and socialization are often extensive
- Enforce P-O fit that is established in recruitment and selection
- Tentatively match people with jobs and work-groups

Training and job rotation practices

- Extensive OJT with intermittent Off-JT
- Organization-wide job rotation (employee move) and informal job changes within assignments
- Detect P-J/ P-G misfit, resolve and improve P-J/P-G fit through job rotation
- Contribute to the P-O fit as the match between individual abilities and organizational demands in terms of organization-specific KSAs

Compensation, promotion, and supervisory assessments

- Loose link with short-term individual performance
- Support other HRM practice to promote P-E fit
- Motivate individuals to obtain necessary KSAs, exhibit cooperative behaviors, and develop emotional bonds for high levels of P-E fit

Recent changes

- Introducing employee-centered approach (i.e., autonomy and employee choice) to promote P-E fit
 - Increasing emphasis of P-J fit in organizational entry
 - Accelerating the speed of promoting P-G fit and P-J fit through performance-based rewards and promotions.
-

Figure 1. Development of individual P-O fit, P-G fit, and P-J fit within Japanese firms

