

Sharing Japan's New Management

Suggestions Offered on How to More Effectively Function as Teacher to Other Nations

By KENNETH HOPPER

Kenneth Hopper is an industrial engineer, a resident of New Jersey, whose work over the past 30 years has taken him throughout Europe and the United States. He visited Japan for two months this fall on a tour of Japanese industries organized by the Sumitomo Group. He is currently writing a book for Macmillan Press on factory management in various countries. — Editor

Thirty years ago last month, 25 top Japanese executives sat down in Osaka for a lengthy discussion with three senior American engineers. The world was worried that Japan might be a permanent economic cripple. For two months, for four afternoons a week, from Nov. 21, 1949, to Jan. 20, 1950, they studied all aspects of manufacturing. Mostly they discussed how modern factories should be managed.



Hopper

The engineers, who were with the Civil Communications Section (CCS) of SCAP, had already met with a similar group of executives for over two months, in Tokyo. The 45 executives found the seminars "so invigorating" that they subsequently published the notes the engineers had prepared, and presented repeat sessions to the rest of Japanese industry.

Seed Planted

Early in 1950, the Osaka group, who included some of the most respected names in Japan's management, wrote the engineers who had by then returned to the United States: "The seed which the CCS has planted in the industrial city of Japan is thus growing, and the seed shall not stop growing until they be flou rished in glorious trees."

The importance of the CCS Seminars, as they came to be called, will have to be assessed by historians of management. They have been described as useful, helpful and very significant. The timing has been pointed out. Previous top management had been dismissed — America's great contribution, some believe, to the future of Japanese industry — and the new men wanted urgently to find out all they could about modern management.

**Guest
Forum**

Sunday, December 9, 1979

The Japan Times

This anniversary may be an appropriate time to pay respect to the generation of Japanese executives who created Japan's new industrial management, and to reflect on its nature and significance in the world. It has brought prosperity to Japan, and disrupted trade patterns.

It would probably be agreed that the characteristic of this new management is more a way of working together, typified by mutual aid, fellowship, lack of confrontation, concern and sensitivity for colleagues, and so on, than an extensive development of new techniques and systems. It is a management culture different in many ways from that in other nations.

Yet Japan's industrial success is accompanied by unease. There is concern over relations with the rest of the world. Some fear success may result not in friends, but in a Japan once again isolated, this time behind trade barriers. On the other hand, some Japanese managers worry that teaching about industry is becoming a one-way street. Japanese methods are being universally studied, while they feel those of other nations that have just as high productivity growth, receive little attention.

Japan as Teacher

Through history Japan has been noted for an ability to learn and adapt. Japan as a major teacher is a completely new role. It would seem appropriate for Japan to step back now, and review its teaching to see if it could be aided to benefit both Japan and those it wants to help. This is in no sense a criticism, but a suggestion to build on strength.

If Japan thinks of copying Western institutions exactly, there has to be a warning. An important cause of slow productivity growth in Britain and America, the two industrial nations which taught so much, is that the institutions that taught did not learn. In contrast, institutions actively engaged in learning, are strongly represented among those teaching foreigners about Japanese industry. They include the Japan Productivity Center, the Japan Management Association and, not to be forgotten, individual companies. Matsushita Electric, for example, in Osaka averaged 10 foreign guests every day in 1978 — not dealers or employees — who had come to learn about Japanese industry. What they saw and were told will probably have influenced them as much as would any management course.

Form Association

A detailed review of Japan's management teaching role would form its own conclusions. Here, however, are suggestions. First, publicity should be given to either an existing or a new association of individuals and organizations active and willing to give information in this field. It should become well recognized in Japan and abroad. A possibly already existing, readily accessible, small library or museum could be funded. It would be the "visible front" for the association. Making the association visible in this way should make it more difficult for critics of Japan to return home, unaware of Japan's developments in management, and charging that its success is due simply to unfair trade practices.

Secondly, the association should be continuously reviewed to try to ensure that it covers the field comprehensively. Different foreign nations are developing their own ways of management. Individuals in the group should be encouraged, perhaps with financial assistance, to become authorities, each in the management methods of one, or a few, of the advanced countries. Individuals from these countries might be invited for a period in Japan to hold an appointment, as might others with expertise in which Japan is weak. Akira Totoki, president of the Japan Management Association, assesses that there are areas of organization where Japan employs three to four times the staff its competitors overseas require. Japanese business would have good reason to support the association if, in addition to teaching, it made comprehensive knowledge readily available on current foreign management practice.

Lastly, as Professor K. Koike of Nagoya University points out, much that is written and said about comparative international management is inaccurate. The association should have some critical minds in it. Professor Jean Boddewyn of New York University has made proposals for the organization of international management studies.

Cities Peaceful at Night

One of a visitor's most vivid memories of Japan, is of the downtown cities at night. People stroll in the parks and the main shopping streets are packed. This and the widespread honesty makes one ask how Japan avoided the deterioration in behavior that accompanied, almost universally, economic growth elsewhere — a deterioration that hurts the poor more than the rich.

Anyone interested in development should pay at least one visit to Japan. Even visitors who do not think it practicable to copy the Japanese model, could be encouraged by what they saw to resist undesirable change. Perhaps we in the West became so infatuated with our critical approach that worked so well in science and technology, that we allowed similar so-called scientific reshaping to be unleashed on all human relations and traditions.

If the developing countries are to achieve the long-term growth they now seek, it can come only if each is able to develop an effective native management, appropriate to its heritage. Many managers from the industrialized world would like to help. They point out however, that surroundings of hostility and even of violence, form no invitation to visit the developing world, and are a far cry from the welcome those with know-how found in the early United States, or indeed in postwar Japan, whence foreign engineers did return home saying "That was the greatest experience of my life!"

Relations With Oil Nations

A clear explanation that a good management culture is essential for a developing country, might lead it to set that as an important objective, and could provide a good basis for a relationship with the developed countries.

Our remarkable relations with the oil countries seem to demand that the industrialized nations work urgently toward the time when we can sit down with them to plan a feasible future for both them and us. Neither side seems to be getting anywhere at the moment. Here again, Japan seems to have another reason to review what it can offer in teaching about industry. Japan, as Akio Morita, the chairman of Sony, points out, does not share certain important trading strengths of the other powers, namely arms and food to sell. Yet it may, for reasons of history, culture and economic success, have a special role to play in the relationships of the industrialized world with the oil nations.

The new frontier of the world economy is one of materials and energy shortage. Japan's achievements over the last 30 years suggest that it has much to teach. Teaching and learning, however, should go together. It would be wise for the world to let the trees in Osaka stay glorious. Then Japan will surely continue to share its knowledge.