

Cultural Dimensions Of Japanese Management

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Abstract: *In a period of less than two decades (mid-1950 and early 1970s) Japan succeeded in achieving high economic growth rates and becoming the world's second economic superpower. Both macroeconomic and microeconomic factors, such as the Japanese government's economic policies, institutional reform, high saving rates, land reform, and high-competitive corporate management contributed to this performance. Based on a strong cultural framework, the so-called "Japanese style management" represents one of the many explanations of the Japanese economic miracle. In this sense, the Japanese culture and its influence on Japanese management have been subject of numerous researches in the last decades. The paper aims to help readers to identify and understand some of the main cultural dimensions of the Japanese management. The research methodology is based on a quantitative method.*

Keywords: culture, management, values, Japan

JEL Classification: M00

Introduction

At the end of the Second World War, Japan (Nippon/Nihon-koku) or “Land of the Rising Sun” was a defeated and literally destroyed country. After the war Japan lost around 25.4% of its total assets and the total output collapsed to only 30% of the prewar period (Ohno, 2006). Moreover, the Japanese economy encountered several main difficulties: unemployment, shortage in resources (e.g., oil), the balance of payments crisis and inflation (Nakamura, 1981; Hamada and Kasuya, 1992). The Allied forces occupied the country and nominated the American Army General Douglas MacArthur as the head of the General Headquarters (Ward, 1968). However, it was rather an indirect occupation as the Japanese government continued to function. On the other hand, the cooperation between the Japanese government and the Allied forces greatly facilitated the rapid recovery of the country (Stultz, 2014) and showed how a country can be “liberalized and democratized ‘from above’” (Swann, 1999, p. 3). The survival of Japan until the end of the 1940s was possible thanks to the American aid (Tsunekawa and Yoshida, 2010): two thirds of its imports were covered by the United States of America (USA) (Ando, 1975).

Japan experienced four major phases in its postwar economic development: “the reconstruction period (1945-1953), the high growth period (1954-1973), the slowing-down phase (1974-1990), and the structural crisis period (1991-2011)” (Valli, 2012, p. 3). In a period of less than two decades (mid-1950 and early 1970s) Japan succeeded in achieving high economic growth rates, especially in the so-called catch-up period (Naka, 2002), and becoming the world’s second economic

superpower (Yamamura, 1976; Ito, 1996; Yoshioka and Kawasaki, 2016). Both macroeconomic and microeconomic factors, such as the Japanese government’s economic policies, institutional reform, high saving rates, land reform, and high-competitive corporate management contributed to this performance. The excessive competition among the Japanese companies and the high economic growth rate acted together as driving forces of the postwar Japanese economy (Miyazaki, 1967). The astonishing economic success of postwar Japan constituted a remarkable example for many countries around the world.

Based on a strong cultural framework, the so-called “Japanese style management” represents one of the many explanations of the Japanese economic miracle. In this sense, the Japanese culture and its influence on Japanese management have been subject of numerous researches in the last decades (Firkola, 2006; Muhammad, 2009; Haghirian, 2016). The paper aims to help readers to identify and understand some of the main cultural dimensions of the Japanese management. The rest of the paper is organized as follows. The literature review is displayed in the next section. The following sections deal with the research methodology, results and discussion. The paper ends with conclusions.

Literature review

The concept of culture is treated in various ways and has different meanings for researchers. It is defined as:

- “a pattern of shared basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration, that has worked well enough to

be considered valid, and, therefore, is to be taught to new members of the group as the correct way to perceive, think, and feel in relation to those problems" (Schein, 1991, p. 313).

- "a shared system of meanings" (Trompenaars, 1993, p. 13).

- "a complex set of learned, shared, and interrelated behavioural patterns which distinguish one society from another" (Harrison et al., 2000, p. 103).

- "a socially transmitted or socially constructed constellation consisting of such things as practices, competencies, ideas, schemas, symbols, values, norms, institutions, goals, constitutive rules, artifacts, and modifications of the physical environment" (Fiske, 2002, p. 85).

- "a metaphor, a lens for examining organizational life" (Martin, 2002, p. 4).

- "the collective programming of the mind that distinguishes the members of one group or category of people from others" (Hofstede et al., 2010, p. 6).

Thus, culture represents a complex and multidimensional concept. There are several characteristics of culture as follows (Schein, 1991; Mead, 2000; Spencer-Oatey, 2012):

- Culture has many dimensions (e.g., individualism and collectivism, uncertainty avoidance).

- Culture implies conceptual sharing, patterning and dynamics (involves gradual change).

- Culture is learned and transmitted from one generation to another across the time.

- Culture embodies specific values.

- Culture promotes stability.

- Culture is associated with social groups, refers to all aspects of group life and affects its behaviour.

- Culture is not only a social construct but also an individual construct.

- Culture evolves over time.

Since the emergence of the Japanese economic miracle, the cultural dimensions of the Japanese management have constituted a topic of interest for researchers and practitioners worldwide. In this respect, two main theories about the origin of Japanese management were launched as follows (Firkola, 2006):

- One theory asserts that the Japanese management has developed since the end of World War II. Therefore, the historical and cultural roots are of little importance.

- The other theory argues that Confucianism, Buddhism and Bushido represent some of the possible factors that should be taken into account.

"Tidiness, timekeeping, efficiency, following through, and attention to detail are deeply ingrained traits of the business culture" (Picken, 2007, p. xii) as these values are essential to the Japanese culture. Also, seniority, conservatism, masculinity, collectivism, harmony and hierarchy are other important cultural elements that were found within the Japanese management (Namiki and Sethi, 1988; Schwartz, 2006; Firkola, 2006; Hofstede et al., 2010; Yoshikawa et al., 2018). Therefore, culture constitutes a key component of the background of Japanese management.

Research methodology

In order to reach the aims of the paper the authors used a quantitative method. The literature review was based on a comprehensive search into numerous sources of secondary data, such as articles and books from the domains of management, culture, history

and economics. The research was carried on in the Central University Library where several electronic databases (e.g., Springer, Wiley Online Library, BRILL) were located and consulted.

Results and discussion

In the 1950s and 1960s the majority of Japanese managers learned about the Western management practices. After the economic boom, things changed: Western managers showed their enthusiasm towards learning more about Japanese management practices (Fukuda, 1988). On their turn, researchers have begun to extensively study

the Japanese-style management since 1970s when the “Land of the Rising Sun” succeeded in becoming the world’s second largest economy. Some of them concluded that (Pascale and Athos, 1982; Abegglen and Stalk Jr., 1992; Lewis, 2000; Jackson and Tomioka, 2004; Firkola, 2009):

- lifetime employment, seniority and enterprise unions represent the three pillars of Japanese management;
- the Japanese culture asserts its invisible presence in all Japanese companies and emphasized the influence of time, space, language, religion (Table no. 1) and of its long history of isolation.

Table no. 1. The Japanese religions: a short characterization

Shintoism	Confucianism	Buddhism
<ul style="list-style-type: none"> • the roots of a tree, imbedded in the very heart of Japanese people 	<ul style="list-style-type: none"> • the trunk and branches; • politics, morality, and education 	<ul style="list-style-type: none"> • the flowers; • religious feelings bloom as flowers

Source: Davies, 2016, p. 39

As any culture, the Japanese culture is defined through its values, beliefs and norms. From a multidimensional perspective the Japanese culture is seen as follows (Trompenaars, 1993; Lawrence and Yeh, 1994; Javidan and House, 2001; Hofstede et al., 2010):

- Hierarchical nature: rigid in rank, blurred in authority and responsibility.
- Individualism versus collectivism: highly collective, based on group harmony.
- Obligation towards society: high.
- Attitudes toward work: working hard with patience and perseverance.
- Time orientation: future oriented.
- Approach to problem solving: holistic.

- View of human nature: intrinsically good.
- Assertiveness: low level.
- Performance-oriented: medium oriented.
- Uncertainty avoidance: high level.
- Power distance: medium.
- Masculinity: high level.
- Belief in individual decision: low level.
- Decision-making: collectivist.
- Exhibiting emotions: low level.
- Emotional orientation in relationships: neutral.
- Controlling nature: low level.
- Inner/outer directedness: outer-directed culture.

Numerous values specific to Japanese culture are embedded in the Japanese management. Among them it is worth to enumerate the following:

- Amae (feeling of dependence);
- Bushido (the way of the warrior);
- Chih (wisdom);
- Gi (integrity);
- Jen (humanism);
- Jin (benevolence);
- Li (loyalty, faithfulness);
- Makoto (honesty);
- Meiyo (honor);
- Ninjo (human feelings);
- Rei (respect);
- Ringisei (decision making by consensus);
- Uji (extended family or clan);
- Yuuki (courage);
- Wa (harmony).

Most of these above values are to be found in the Japanese companies. The Japanese management example imposes the acceptance of the belief that culture is a key element of management across the world.

Conclusions

The paper shows that culture represents a complex and multidimensional concept. Also, it demonstrates that there are several important cultural dimensions of the Japanese management such as integrity and harmony.

The importance of the paper resides in emphasizing the strong relationship between culture and management in Japan. Further researches might take into account other values specific to Japan culture in influencing the Japanese management.

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