

# Japanese Business Culture & Practices

## Section 1

Instructor/Title	Professor Arif Iqbal
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### 【Course Outline / Description】

How did Japanese business practices and industry evolve and grow from the Meiji Restoration to the present? How does culture affect management? How did pre and post-war Japanese government economic policies, industrial structures, cultural influences, and production technologies shape Japanese industry and business practices? What is happening with these issues presently in Japan? Will Japan be able to overcome the change in demographics and increasing global competitive pressures?

This course tries to answer these questions by tracing historical factors and changes. The course then looks at the future of Japanese companies by looking at innovative companies like Recruit and Softbank. Utilizing a teaching approach that mixes cases, lectures, and class discussions, students will learn key concepts and tools used in understanding and solving management problems in the Japanese market context. The course also introduces the typical operational style of Japanese companies and Japanese cultural business terms and etiquette to students interested in working for a Japanese company in the future.

## Section 2

### 【Course Objectives/Goals/Learning Outcomes】

The course will enable the student to:

- Review existing literature and theory in the field of Japanese management, and Japanese business culture
- Understand an overview of the modern Japanese business environment and historical factors that have influenced its evolution
- Explain the most important social concepts in Japanese society and their relevance to Japanese management and Japanese business culture
- Discuss the most prominent aspects of Japanese management, such as production management, distribution and management activities within a Japanese corporation
- Develop a working level understanding of the unique working style and culture of a Japanese organization

## Section 3

## 【Class Schedule/Class Environment, Literature and Materials】

Schedule of Instruction		
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Lesson 1 (09/03)	Student, Teacher, and Course Introduction; The Hermit Crab Dilemma	Reading; Yataro Iwasaki: Founding Mitsubishi
Lesson 2 (09/06)	Macro level Historical, Geographical, and Economical Perspectives: (Meiji - Pre-War) The Bakuhan system	Reading: Flath, "The Japanese Economy - Ch. 2: Economic History, Part 1: The Tokugawa Period (1603–1868) and the Meiji Era (1868–1912)"
Lesson 3 (09/10)	Macro level Historical, Geographical, and Economical Perspectives: The War Industry	Reading: McGuire/Dow "Keiretsu: Past, Present, Future"; Miwa/Ramseyer: The Fable of the Keiretsu Ch. 2
Lesson 4 (09/13)	Role of Zaibatsu/Keiretsu/Sogoshosha	Reading: Miwa/Ramseyer: Fable of the Keiretsu Ch. 4 Video: Mochiai & Cross Holdings
Lesson 5 (09/17)	Mochiai and Role of Banks in Japanese Business Eco System	Video: Morita: Japanese and American Management
Lesson 6 (09/20)	What is Japanese management and what are the roots? Can there be a balance between Continuity and Change?	Reading: Abegglen: Japanese Style Management Reading: Blumenthal: The Practice of Amakudari within the Japanese Employment System
Lesson 7 (09/24)	The Japanese Employment System	Video: Porter Competitive Model Reading: Resource Based View
Lesson 8 (09/27)	Strategic and Management Roots of Japanese vs. US Companies	Reading: Hoshi & Kashyap - Ch. 3
Lesson 9 (10/01)	Post War Economy and Reforms Role of Government in shaping economic success (or not)? Abegglen Study - The Japanese Factory	Reading: Quality Circles
Lesson 10 (10/04)	Deming and the Quality Factor	Reading: Vogel: Japan as Number 1 (pgs. TBD) Video: Kaizen
Lesson 11 (10/08)	Japanese Productivity Improvements and Japan as Number 1	Reading: Will Japanese Management style work in US?
Lesson 12 (10/11)	Theory Z and Export of Japanese Management Techniques	Reading: Hoshi & Kashyap - Ch. 7
Lesson 13 (10/15)	Collapse of the Bubble and The Lost Decades	Reading: A Case of Three Companies: The Survival Strategies of Sony, Hitachi, and Canon
Lesson 14 (10/18)	Competitive Evolution of the Japanese Automotive vs. Electronics Industry The Samsung Factor	Reading: Summary Paper on Response of Japanese versus US Auto Companies to Rising exchange rates
Lesson 15 (10/22)	Endaka (Rising Yen) and Survival Strategies	Reading: Black & Morrison: Sunset in the Land of the Rising Sun ReaAbegglen - The Graying of Japan: The End of Growth?
Lesson 16 (10/25)	FALL BREAK - NO CLASSES	
Lesson 17 (10/29)	FALL BREAK - NO CLASSES	
Lesson 18 (11/01)	21st Century Japan: Current Sate of the Japanese Company Changing Demographics and Aging of Japan	Reading: Hasegawa: Rediscovering Japanese Business Leadership
Lesson 19 (11/05)	Leadership in Japanese Companies	Reading: Hasegawa: Rediscovering Japanese Business Leadership
Lesson 20 (11/08)	Innovation in Recent Japanese Companies Impact of Foreign Companies expanding presence in Japan	Reading: Softbank - An Internet Keiretsu
Lesson 21 (11/12)	Case Study: Innovative Japanese Companies (Softbank)	Video: Recruit Innovation History

Lesson 22 (11/15)	Case Study: Innovative Japanese Companies (Recruit)	Read: Olympus & the Whistleblower President Case Reading: Renshaw: Kimono in the Board Room
Lesson 23 (11/19)	Corporate Governance & Boards Gender Issues	Prep: Case Study
Lesson 24 (11/22)	Emergence and Expansion of Japanese Venture Capital Culture	Prep: Case Study
Lesson 25 (11/26)	Discussion on Future of Japanese Companies	Reading: Gaijin Sumo Wrestlers Help Japanese Traditions to Carry On
Lesson 26 (11/29)	<i>Gaman, Ganbaru</i> and other nuances of Living and Working in Japan	Prep: Case Study
Lesson 27 (12/03)	Case Study/Individual Learnings Presentations	Prep For Final Presentation
Lesson 28 (12/06)	Case Study/Individual Learnings Presentations	Prep For Final Presentation
Lesson 29 (12/10)	Case Study/Individual Learnings Presentations	Prep For Final Presentation
Lesson 30 (12/13)	Course Review, Feedback, & Celebration	Prep for Final Exam Final Paper Due

### 【Textbooks/Reading Materials】

This class will only use a course pack, which will be provided by the instructor on the first day of the class.

### Section 4

#### 【Learning Assessments/Grading Rubric】

Final Exam	10	%
Class Participation	25	%
Writing Assignments	40	%
Case Study	15	%
(Final Presentation)	10	%

### Section 5

#### 【Additional Information】

Almost 25 years ago, I took my first class on the Japanese Business System which changed my life forever and I would like to invite you to experience the same. I will try and create a very interactive learning environment and a focus on real world experience based on my 20+ years of working in Japan including as the CFO of a major Japanese public company. The workload in this class is fairly intensive (3-5 hours per week) and it is critical that students be active participants in class, providing critical analyses of key issues, and debating alternative courses of action. This requires careful preparation of the assigned readings before class. You will inevitably be asked to present/express your opinion on material covered in class.

Students are expected to behave just like they would in a real company and be present at all class sessions, prepare the assigned readings carefully (this will be discussed further during the first few weeks of class), and have all pertinent readings with you on the day of class. You are also required to meet scheduled deadlines for your assignments, in-class presentations, and final project. The majority of each class will be held in a seminar format but each session will also have some time dedicated to learning and practicing Japanese cultural business etiquette and terms e.g. learning how to exchange Business Cards; Learning to Bow etc. The readings and concepts build on each other, so preparation for class

sessions, attention and good note-taking during class, and participation in-class is very important. Students will form groups and discuss/solve case studies on Japanese Management.

I strongly feel this will be a good class for you if you are exploring a career related to Japan and/or want to work for a Japanese or Foreign company in Japan (or a Japanese Company Overseas).