

TRAINING

THE HUMAN SIDE OF BUSINESS

DECEMBER 1992 \$6

WORKING FOR THE JAPANESE

TRAINING ZONE
ALWAYS

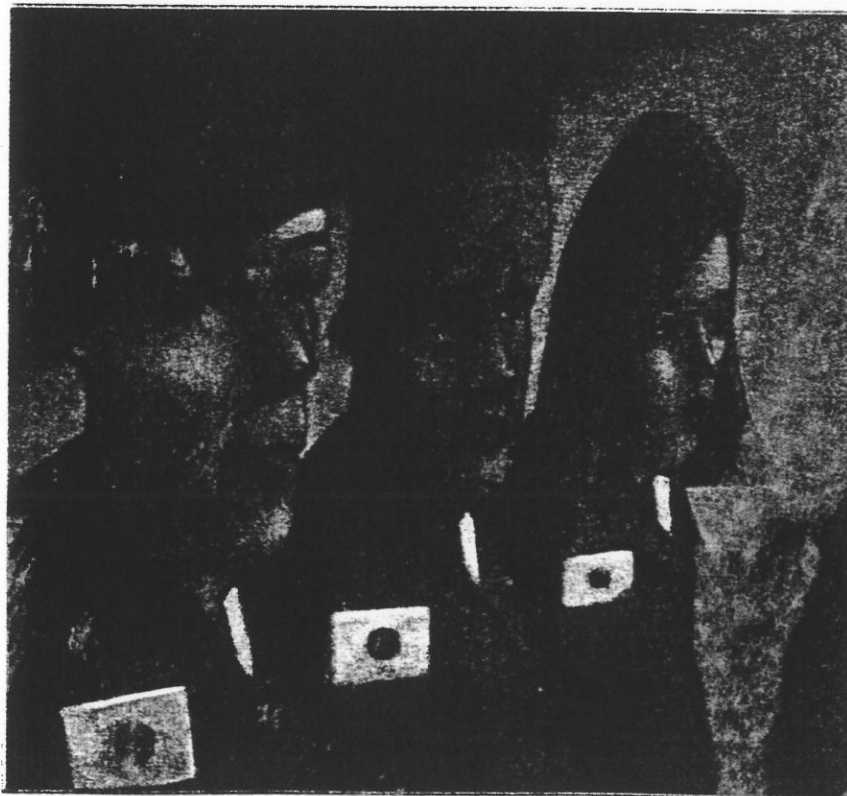
**Q & A WITH
STEPHEN COVEY**

**MYTHS AND FABLES
AS TRAINING TOOLS**

Lakewood
Publications

WORKING FOR THE JAPANESE

BY BOB FILIPCZAK



Working for an employer from another culture is bound to be a challenge. When the other culture is one as different as Japan's, problems are inevitable.



What don't we understand about the Japanese? This ancient Japanese tale is a small sample:

There once was a man who was elevated to the priesthood at a temple. He and his comrades celebrated with a bit too much wine. As part of the revelry, the man decided to put an iron pot on his head (apparently, they were out of lamp shades) and dance around. The pot fit rather tightly, and when his dance was over he discovered that he could not remove the pot. His nose and ears were in the way.

His friends tried everything, including cracking the pot, to get him out. This gave him a bad headache, but little relief. They took him to a doctor, but the doctor could do nothing for him. The man's relatives came when they heard, and wept over him and his fate. The iron pot prevented him from hearing his mother's sobs.

Finally, concluding that he would starve if they did nothing, his fellow priests decided to pull off the pot no matter what it did to his nose and ears. They pulled and pulled and almost pulled off his head. Finally the pot came off, but the priest's nose and ears were injured, and he suffered from his wounds for a long time. The End.

If you're scratching your head and mumbling "What's the point?" you're not alone. And if you think you've gleaned the lesson from this story, chances are a Japanese listener would disagree with you. An American might conclude that the moral has to do with not getting yourself into something you can't get yourself out of, while a Japanese might find a more subtle message about saving face and expressing too much enthusiasm in front of others.

Americans who work in America for Japanese companies do a lot of head scratching, mumbling and puzzling over the behavior of the people in charge. Working for the Japanese presents challenges for American workers that are unique and often frustrating yet, at the same time, potentially rewarding.

Complex human issues arise when Americans and Japanese are employed by the same company and are expected to work together. This is especially true with managers and white-collar professionals. Several books have been written on the subject, and more are on the way. Without a complete understanding of Japanese culture and language (which takes years to develop), we can only take a stab at some of the problems that emerge in the hybrid culture of a Japanese-American operation. But it's obvious that cultural chasms yawn under many human resources practices: performance reviews, promotions, job descriptions, job opportunities, and philosophies of hiring and training.

Tina Jonke

THE SALARYMEN

Before poking about in the eclectic slurry of cultural turmoil in a Japanese-American operation, we should have at least a sketchy understanding of what Japanese corporate life is like in Japan.

The Japanese salaryman—yes, they are all men—gets about four years of free time before the competition for getting into the right nursery school begins. Then the consuming focus of his life becomes getting into the right grade school, middle school and high school. The intense competition for high grades stops once he gets into the right college, where he has another four years to relax. Then, depending on which college he graduates from and what kind of recommendations he gets from his professors (who are essentially paid headhunters for businesses), he is recruited into a Japanese corporation. Dennis Laurie, author of *Yankee Samurai* (Harper Business, 1992), compares this recruitment phase to the National Football League draft system.

According to Laurie, once the salaryman lands in a corporation, he's got a job for life. He is identified not as an engineer who works for Matsushita but as a Matsushita-man. Assimilation into the corporation may take two years. It might include six months in a Zen monastery—to develop spiritually—and lengthy periods of physical exercise to make sure he is ready for his role in the corporation. Then the salaryman goes to work, often at the bottom of the corporate ladder. If he gets a job with an oil company, his first position may be pumping gas. If he works for a bank, he may be a teller for his first two years. Then the rotation begins.

Job rotation among Japanese managers amounts to a lifelong training program that gives them experience in almost every area of the corporation. A salaryman often switches jobs every three to five years and may go from marketing to research to purchasing to human resources. Many of these moves are lateral; an individual earns promotions through seniority and whatever successes he may have achieved during his journey through the organization.

Job rotation for a Japanese salaryman often includes an overseas assignment. That's when a typical American manager will encounter him. And then the fun begins.

Japanese managers often get some training designed to help them work effectively with Americans, but it's usually insufficient, according to Doug Lipp, a consultant for a major Japanese electronics firm in California and coauthor of an upcoming book on the subject. The information usually focuses on legal issues such as sexual harassment and equal employment, Lipp says, and doesn't help the salarymen deal with cultural obstacles they are sure to encounter.

THANK YOU, SIR, MAY I HAVE ANOTHER?

Performance appraisals, or performance feed-

During lengthy, after-hours drinking bouts much performance feedback is imparted to a Japanese employee.



back, may be one of the first culture shocks that hit a Japanese manager. A common complaint of Americans who work for Japanese companies is that their managers never let them know where they stand or how they're doing. Certainly, American employees hurl this same complaint at American managers, but Japanese managers may fail to provide performance feedback because of cultural misunderstandings, not because of neglect.

Let's say an American middle manager gets a form-letter performance review in the mail telling her that her services are appreciated and that she's a valuable member of the corporation. Her Japanese boss will be baffled when she does not respond well to the impersonal tone of the feedback. Later, when she is fired despite a stack of these form letters, she may head straight to a lawyer.

Performance feedback is a strange notion for Japanese managers for several reasons. First, they are accustomed to providing feedback to Japanese employees in a manner that would be demoralizing to American employees. A Japanese salaryman may rip into a Japanese subordinate in front of other employees, tell him how stupid and incompetent he is and sometimes even strike the employee without being criticized for it, according to Lipp.

In fact, negative feedback is about the only kind a Japanese employee will accept, according to both Laurie and Lipp. Anything else would be considered flattery and therefore an insult. The Japanese employee who just got raked over the coals considers himself lucky because the manager has made it obvious that he sees potential in this worker. "Japanese managers thrive on critical feedback," says Lipp. "In fact, they say, 'If I'm not being criticized by my boss, he's given up on me.'"

So a Japanese manager who comes to America—where positive reinforcement is the preferred form of feedback and self-esteem is presumed to derive from constant praise—is more than confused. He's culturally confounded.

Laurie writes that Japanese managers often fail to give formal performance feedback to American subordinates because Americans rarely participate in *tsuikiai*, a social gathering after office hours that involves both business activities and the disposal of significant quantities of scotch. It is during these lengthy drinking bouts that much performance feedback is imparted to a Japanese employee. It is also where, according to Lipp, "aftercare" occurs. This means that after a manager symbolically disembowels an employee on the job, the manager takes the person out after work and tells him what a valuable employee he really is. This must occur outside the office so that neither manager nor subordinate loses face.

American managers do not attend *tsuikiai* for a couple of reasons. First, many Americans jealously guard their leisure time, and spending hours in a bar with the boss is right behind a tax audit on their list of favorite things to do. Second, when Japanese

in America go out to these meetings, they are often so tired of speaking English all day that they speak Japanese. An American who isn't fluent would be completely at sea.

Bill Byham, president of Development Dimensions Inc., a Pittsburgh-based consulting company, and author of the soon-to-be-published book *Shogun Management*, encourages the Japanese to accept a more Americanized performance feedback system when he does consulting work for them. "If you sit around and wait for the Japanese to adopt a performance management system that deals with these issues that they just hate, you'll be long dead," he says.

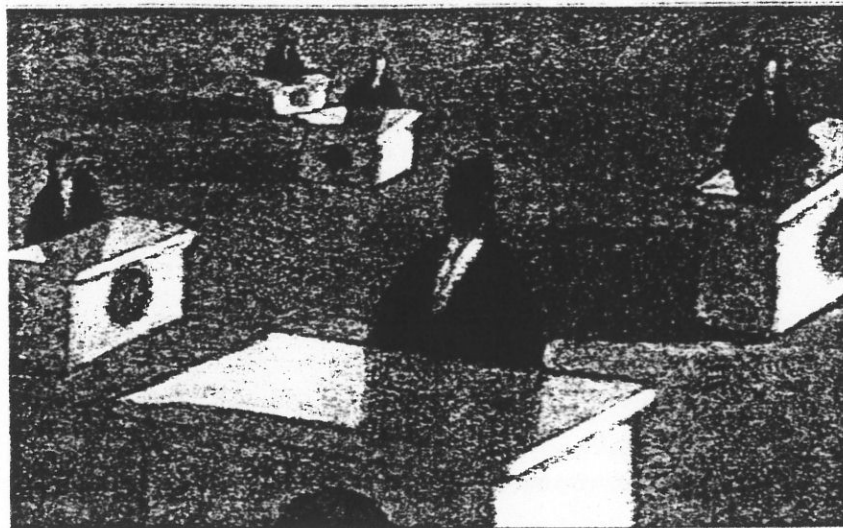
Part of the problem is this: Performance feedback from your direct supervisor is not all that important in Japan. It's the human resources department in a Japanese corporation that makes all the hiring, firing, promotion and job-rotation decisions. Therefore, Japanese managers don't really have much influence over a subordinate's career. Moreover, as Lipp points out, since managers are constantly moving, a poor working relationship with your manager is only a temporary inconvenience. The manager will soon be moving on, so you just have to be patient. In an American company, if you can't get along with your manager, you'd better polish your résumé and start checking the want ads.

THE GAIJIN CEILING

American managers working for a Japanese company may have trouble getting something as basic as specific job descriptions from their employers. Americans tend to be specialists and want job descriptions that reflect that. The Japanese tend to hire and value generalists. Lipp, who hired employees in Japan for Disney, explains that: "[In Japan] you're looking for the basic clay to mold, whereas in the United States you go out shopping for immediate skills."

The Japanese want managers who can adapt to constantly changing situations in a number of specialty areas. That's why job rotation is such an important development strategy. A specific job description is too limiting from a Japanese perspective. They want managers who will do whatever is necessary whenever it is needed. When Americans go to work for the Japanese, this is one of the reasons they run into a major obstacle: the *gaijin* ceiling.

"*Gaijin*" is a Japanese word that means either foreigner or barbarian, depending on whom you ask. American managers describe the *gaijin* ceiling as the barrier that prevents anyone other than a Japanese man from making it to the top of a Japanese-American operation. We spoke with four HR managers for Japanese-American companies, and while none admit to any kind of *gaijin* ceiling, a



**Japanese
companies
don't
believe
American
managers
will be
loyal,
lifelong
employees.**



Japanese executive headed U.S. operations in all of their companies. The most important issue, however, is that movement and promotion of American managers in Japanese companies is a concern that hits right at the heart of the cultural chasm that divides Japan and the United States: lack of trust.

As Laurie explains it, a catch-22 exists for American managers and it all revolves around trust. For one thing, American managers are notorious for moving from company to company. A Japanese salaryman spends his working life with the same corporation or at least within the same *keiretsu* (a family of Japanese corporations with close ties to one another). Job rotation, which constitutes most of a Japanese manager's training curriculum, is rarely instituted for American managers because the Japanese parent company doesn't believe they will be loyal, lifelong employees.

There's nothing foreign about the thinking here. It's the same rationale behind the reluctance of many American companies to provide serious training to their employees: Why spend the time and money training a person if he's not going to be around very long?

Laurie tells the story of Harry McDonald (not his real name), an American who won the trust of his Japanese managers and received extensive privileges and training. He even got a two-year assignment to work in Japan, a sure sign that he was on the fast track toward more responsibility and influence. The day McDonald returned to the United States, however, he submitted his resignation to the Japanese corporation that had trained him and went to work for a competitor.

This story spread widely in Japanese management circles, Laurie says, as proof positive that American managers are fickle and not to be trusted. It is no cultural misunderstanding but a plain fact that job-hopping is far more common in America than in Japan. But the upshot is that many American



managers in Japanese companies find themselves stuck in the same position for years without any training or any potential for promotion.

The *gaijin* ceiling has other facets as well. Because the Japanese put so much emphasis on long-range business plans and stress long-term thinking among both managers and employees, promotion into the upper ranks is a lengthy, circuitous process. American managers have a reputation, usually deserved, of being short-term thinkers. Unless an American can develop his long-range business sense and demonstrate it to his Japanese supervisors, he is unlikely to escape the specialty for which he was originally hired.

Americans also put a great deal of stock in individuals and individualism. We consider lone rangers like Horatio Alger, Andrew Carnegie and Ross Perot to be model businessmen. Japanese see ambitious, self-motivated employees as disruptive to the *wa*, or group harmony, of the corporation. Japanese companies look with suspicion on the brightest and the best from American MBA programs and rarely hire them. This is partly because the Japanese have little respect for the American education system and partly because a new MBA is unlikely to want to pump gas for the first two years of his career.

And let's not forget the pervasive effects of the language barrier. While most Japanese learn what they call "written English," few feel comfortable speaking it. And in the spirit of saving face, Japanese managers do not particularly want to speak halting or broken English. If American managers learned to communicate in Japanese, many of the problems that result from poor communication might vanish.

At Honda of America in Marysville, OH, the human resources department is making some strides in the language area, says Gary Berryman, senior manager of the Associate Development Center. About 90 employees and spouses are currently enrolled in Japanese language classes. Another

**There are
several
ways
to interpret
the phrase,
'It needs
more study.'**



Japanese-American company tried unsuccessfully for two years to find 12 interested individuals so a Japanese class could be taught at a local community college.

Lipp, who is fluent in Japanese, is not a zealous proponent of the need to master the language. Although he spent more than 10 years, on and off, in Japan, he confesses that long after he was technically fluent in Japanese he still wasn't *culturally* fluent. In Japan, what isn't said is often more important than what is said, and learning to interpret the meaning that lies between the words is both important and difficult.

Many American managers complain that the Japanese won't be frank with them and will almost never say "No." After five years with Matsushita, personnel manager Lynn Mitchell finally figured out that when a proposal was presented to

Japanese managers, there were several ways to interpret the response, "It needs more study." Sometimes it meant "No." Sometimes it meant "the proposal needs to be refined." The trick is learning how to tell the difference, and that can take years.

Instead of trying to learn a difficult language while holding down a full-time job, Lipp suggests that American managers learn "cultural context" along with some typical Japanese phrases. Japan is a highly contextual culture, he says, while America tends to be minimally contextual. (Translation: We tend to speak quite frankly, they don't.) Because linguistic fluency does not equal cultural fluency, managers who want to make it into the inner circles of Japanese management should become cross-cultural, not just bilingual, says Lipp. He believes that if an American makes the *doryoku*—a very important Japanese word that means "effort"—to understand the Japanese business culture, the Japanese will appreciate it a great deal.

Cross-cultural training is essential to accustom American managers to the Japanese business style, says Lipp. "If you're going to train Americans on how to deal with the Japanese, it's virtually impossible to come in with lists of do's and don'ts because [the culture is] so contextual." Learning to read the different contexts correctly is crucial, he says, because "all too often our respective 'common senses' are not shared across the cultural barrier."

THE MIGHTY HR DEPARTMENT

Earlier we mentioned that the human resources department in a Japanese company makes all the decisions about hiring, promotions, job rotation and termination. We're not talking about shuffling the paperwork; in Japan, these HR departments actually make the decisions. Not surprisingly, the prestige and influence of the HR function in a Japanese corporation are far beyond anything familiar to its American counterparts. Lester Thurow, dean of the

Sloan School of Management at MIT, put it this way in a recent speech: Every Japanese worker knows the names of at least two people in his corporation—the CEO and the manager of human resources.

The bad news is that the HR departments of Japanese-American operations have not inherited the same kind of central role. According to Laurie, the HR departments in most Japanese-American companies are even weaker than their American counterparts. "I would guess that a lot of human resource people in these companies are really not even that aware of what their colleagues are doing back in Japan," he says. "I think they've just stumbled into the same role they play in corresponding American companies, as a necessary evil of sorts.... I would love to be able to just shake some of these human resource people and say, 'Stop thinking so narrowly. You can revolutionize this company because you are *human resource* management, the most important element in this company!'"

One exception to the rule is Toyota Motor Manufacturing USA in Georgetown, KY. Here, the HR department emulates its Japanese counterparts. According to Sam Heltman, vice president of human resources, the department makes the final decision on hiring, transfers, salary levels, staffing levels and firing. He doesn't see what the big deal is, however; since most of the departments at Toyota's American operation have significant control and signing authority over their areas of expertise. Human resources just has control over the "human" part of the organization.

Japanese managers, accustomed to the power of the Japanese HR department, are in for a shock when they come here, says Lipp. All of a sudden, they are expected to do performance appraisals, hire and fire employees, make decisions about promotions—all in addition to their "regular" duties. "I've heard the Japanese managers in our company say, 'Being a manager in the United States is like being God,'" says Lipp.

But American managers in Japanese companies seldom feel like deities. In fact, thanks to consensus decision making and Japanese "coordinators," they rarely feel empowered at all, says Byham.

Consensus decision making, one of the linchpins of Japanese business culture, has been exported to many Japanese-American operations with varying degrees of success. It isn't always the kind of empowering technique Americans assume it is. "Consensus doesn't mean a democratic vote, [and it] doesn't mean we talk until we all agree," says Toyota's Heltman.

What the Japanese practice both in their U.S. operations and in Japan would better be described as consensus input gathering, says Byham. In other words, everybody gets to provide input, but the decision may still be made at high levels. While this method contributes to giving everyone the feeling that they are involved in company decisions, it is viewed skeptically by some American managers in

**'Consensus
doesn't mean
a democratic
vote,
and it
doesn't mean
we talk
until we all
agree.'**



Japanese companies. These skeptics believe that the consensus process is just a way to ratify a decision that has already been made back in Japan. In short, it's a sham.

Other managers see a far more sinister side of consensus decision making: more meetings. If you don't like meetings and are frustrated by the number you now attend, don't go to work for a Japanese company. Meetings are a way of life at most Japanese and Japanese-American companies. The consensus decision-making process is clearly the primary culprit. Heltman estimates that he participates in at least seven meetings every day. Meetings take up about 90 percent of his time.

The Japanese do see meetings as a way to reach consensus (however dubious the decision-making part of the process may be), but meetings are also a form of training. According to Byham, even a manager who has nothing to do with what is being discussed may be called into a meeting because it is seen as a way to learn more about the company. This brings us back to the importance of job rotation in Japan. A salaryman currently working as a production supervisor may not have anything to contribute to the new marketing strategy, but he may be intimately involved in it sometime in the future.

To the average American manager, the most frustrating part of the endless-meeting syndrome is the time it takes to reach decisions. Most American managers are expected to make decisions commensurate with their responsibility at the drop of a hat. If you are vice president of purchasing, you don't think twice about approving a request for a \$100 piece of software for your department. If you're locked into the consensus decision-making process, however, that software decision might precipitate a two-hour meeting. The Japanese way may be more thorough, but ours is quicker. The debate about which method results in better decisions could go on forever.

Another Japanese import that many American managers wrestle with is the coordinator. A coordinator is a Japanese manager who is assigned to an upper-level American manager to act as interpreter, mentor and guide through the cultural complexity of the Japanese way. By definition these coordinators have no decision-making authority, but many American managers think otherwise. Depending on whom you ask, coordinators are called everything from spies to shadow managers to useful partners.

One of the problems with coordinators is the hours they keep, according to both Laurie and Byham. Because they are expected to report back to Japan regularly, they stay late into the night so they can call Japan during regular business hours. This gives them the mystique of being secretive and more powerful than is publicly acknowledged.

A former general manager at NEC America tells the story of a new product his department was go-

ing to introduce to the company at an annual worldwide meeting. His department developed the prototype, the business plan and the marketing strategy, and was ready to deliver the presentation to the Japanese superiors. As he waited his turn to step to the podium, he looked at the Japanese manager next to him and noticed a copy of the business plan for the new product on his lap. He asked him where he found it, since copies hadn't yet been distributed to the participants. The Japanese manager calmly explained that it had been sent from the American office. The American concluded that one of the Japanese managers had gone through his desk—where the only copy of the business plan was kept—and sent copies to his superiors in Japan.

Stories like this one certainly don't contribute to trust between Japanese and American managers. The same general manager left NEC recently. He has traveled between the two countries for almost 20 years and says the Japanese are "great suppliers... they're great partners... they're great customers, but they're not great employers. I've had all four relationships with them. The only unsatisfactory one is being an employee."

Yet some Americans maintain constructive relationships with Japanese coordinators. Toyota's Heltman says he considers his coordinator an invaluable partner. Toyota anticipated some of the problems that might occur because of coordinators and decided early on to encourage managers and coordinators to develop friendships as well as business relationships. The company urged American managers and Japanese coordinators to invite their partners' families over for dinner. This was a lot to ask because the Japanese business culture all but forbids bringing family members to company-related social events.

"There isn't any doubt that early in our relationship here the Americans totally misunderstood the Japanese," says Heltman. "We Americans are not accustomed to sharing power with anyone." But once a relationship of mutual respect and friendship developed, Heltman says, he became convinced that the coordinator was there to make sure he was successful in his efforts and for no other reason.

Heltman admits that another problem with coordinators is the length of their stay. When a plant is starting up, an American manager may see his coordinator as a kind of coach or mentor who will teach him the ropes. After about 90 days, the American believes he has it all figured out and the Japanese coordinator can go home. After three years, when the coordinator is rotated back to Japan and is replaced by another one, the American manager can become resentful. After six years and the arrival of a third coordinator, the American manager can become positively rabid. This strikes right at the heart of a major conflict between the American and Japanese training philosophies: What constitutes a trained-in manager?

Most training—whether technical or manageri-

One of the Japanese managers must have gone through his desk—since that was where the only copy of the business plan was kept.



al—in a Japanese company is on-the-job. The idea of sitting in a classroom and getting "trained" is foreign to Japanese employees. Most prefer hands-on training, as Lipp discovered when he worked for Disney in Japan.

He tells a story about a 3-D projection system that Disney set up at its theme park in Japan. Disney sent an expert technician to train Japanese employees to operate and maintain the \$1 million projector. The technician ran a traditional American training session—a combination of lecture, job aids and a little hands-on use of the projector. When he returned a year later, the system was working but the backup projector (also a \$1 million contraption) wasn't sitting next to the other projector where it was supposed to be.

He finally found the backup projector in the training room—in a zillion pieces. Each piece was carefully labeled so the Japanese technicians could use it for hands-on training. It was a rather expensive training aid.

The Japanese reluctance to include American managers in job rotation, the primary method used to develop managers, does not extend to training American blue-collar workers. Laurie traces this double standard back to the same old issue of trust. Because blue-collar workers are less likely to job-hop than managers and other professionals, Japanese employers see them as more committed and loyal to the company. As a result, they do not hesitate to invest in training them.

Egalitarian Japanese practices seem to resonate well with American blue-collar workers. For example, there are no reserved parking spaces for executives; managers and workers eat side by side in the company cafeteria; and Japanese executives earn relatively low salaries by American standards. Managers are encouraged to gather information firsthand—from the production floor—which creates more interaction between managers and workers. And the typical Japanese-American operation has open offices, with almost no private offices reserved for executives.

GET RID OF THE IRON POTS

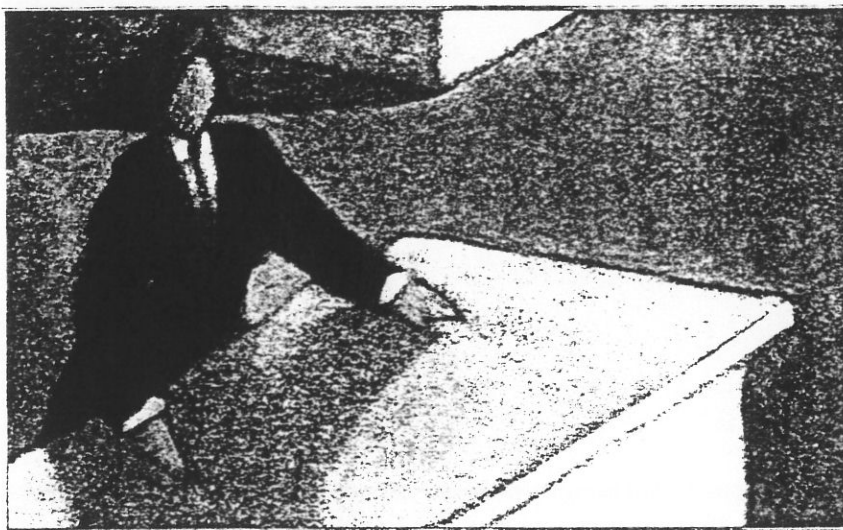
Most of the advice experts have to offer about working for the Japanese could be summed up as a call for better communication. Indeed, straightforward communication strategies have helped a couple of companies avoid cultural problems. According to Heltman, everyone in Toyota's American plant participated in a series of five-hour discussions every Wednesday for 18 months after the start-up. Many issues about working for a Japanese company came out during these discussions, clearing the air before difficulties could mess up the operation. Matsushita still holds monthly meetings to discuss these kinds of issues, Mitchell says.

But it's more complicated than a simple communication gap. Both Americans and Japanese need to learn how to translate cultures better—something

that happens inside your brain, not between communicators.

If both sides learn the mental gymnastics involved in translating radically different cultures, they may gain more than just higher job satisfaction for American managers in Japanese-American companies. Changing a mind-set can often give us a fresh look at our own situation, and lead us to change things that need changing. Maybe American managers do have too much power (and too many responsibilities). Maybe it's not a bad thing that the lifetime employment contract with Japanese salarymen doesn't translate well in America. Maybe each culture has discovered important aspects of what motivates employees that the other has ignored. Americans seem to know how to reward and encourage the individual achiever, while the Japanese have built a strong economy on a foundation of teamwork.

Sure it's a cliché to say that Americans and Japanese can learn a lot from each other. But learning from each other is no longer just a nice thing to do. It has become imperative. We are working together—like it or not—and if we decide we don't



want to make the effort required to understand each other, we might as well just wander around with iron pots on our heads. T

Bob Filipczak is staff editor of *TRAINING Magazine*.