

JAS260 JAPANESE BUSINESS CULTURE (3 credit hours)

Instructors:

Dr. Mike LACKTORIN MBA (University of Chicago), PhD (Keio University)

Mr. Ken ISOGAI, MBA (Cornell University);

Guest lecturers:

Dr Soho MACHIDA: Professor of Religion (lecture on Oct 16)

Mr Nobu TAKEUCHI: Business consultant (lecture on Oct 28)

Prof Gregory CLARK: Professor of Japanese society (lecture on Nov 4)

Dr Don NILSON: Professor of Philosophy (lecture on Nov 11)

Prof Michihiro MATSUMOTO: Expert on Bushido (Lecture on Nov 16)

Fall semester 2009 Meeting times: Mon & Wed 14:00-15:15 Room D206

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Office hours: Tuesdays and Thursdays (13:00-14:00) or by appointment

DESCRIPTION:

This course is an introduction to the characteristics of Japanese organizations and management practices. As we study Japan business behavior we will look for characteristics that may be unique to Japan and will attempt to analyze these through the lens of Japanese culture. Our analysis will be accomplished at three levels: (1) Japanese business behavior, practices, and artifacts, (2) the underlying values / beliefs / norms, and (3) deeper still, at the set of probable basic assumptions or “shared solutions to universal problems of external adaptation – how to survive, and internal integration – how to stay together” (Schein 1985) that serve as the foundation of Japan’s national culture. The first level is observable. Here we will look at such tendencies as long-term employment, seniority promotions, relational contracting, business protocol, cross-shareholding, inside directorships, administrative guidance, market share focus, open offices, implicit language, frequent meetings, a relative emphasis on competitive rather than financial analysis, shareholder disregard, ‘descent from heaven,’ importance of ‘connections,’ and other characteristics of Japanese business practices and behavior. We will spend time trying to understand possible cultural roots of such practices and behavior, and turn our attention to phenomena that are only indirectly observable, such as harmony, loyalty, discipline, patience, respect for elders, and importance of moderation. Finally, we will attempt to trace the origin of the forms of behavior found in Japanese business culture to the sets of values / norms and to the ultimate “background assumptions” level of Japanese culture.

OBJECTIVES:

Upon completion of this course students will: (1) be familiar with many of the unique characteristics of Japanese organizations and management practices; (2) be able to identify cultural variables affecting Japanese people at work; and (3) have increased awareness of dynamics in the Japanese business environment and culture.

STUDY MATERIALS:

<Textbooks>

No assigned textbook. Required readings will be distributed in class.

<Outside reading>

Students are required to read daily the English-language, *The Nikkei Shimbun*. AIU has a site license for the online version. The hard copy is available in the library. Online access is limited to on-campus computers at www.nni.nikkei.ac.jp. Frequently, students will be required to report on how the concepts and theories they are studying are appearing in Japanese business and economic news.

POLICIES: All assignments must be completed to receive a passing grade for this course. Acts of plagiarism or other forms of academic dishonesty will be dealt with harshly.

ASSESSMENT:

Midterm exam: 25%

Final exam: 35%

Team project: 20%

Class participation: 20%

ACADEMIC PREPARATION: No prerequisite courses. Completion of basic business courses is recommended.

COURSE FORMAT AND ACTIVITIES: The format of regular class sessions will be the combination of lecture, discussion and student presentations. There will be field trips to provide students with opportunities to visit selected local business organizations to directly observe Japanese business management and practices.

TEAM PROJECTS: Early in the semester student teams will be formed for purposes of completing a “team project.” The size of student teams will depend on our class size, but will probably number 3-4 students per team. Each team will select some important aspect of Japanese business culture and produce a skit and upload it to YouTube. Skits will provide students with an opportunity to share with people around the world through the internet what they have learned about the cultural difficulties of doing business with the Japanese. Skits should be approximately 3 to 5 minutes in length. All members of the team should be in the skit. At the end of the semester we will replay the clips in class and discuss. Skits will be graded on the basis of (equal weights on each area): (1) instructional usefulness, (2) evidence that students have learned important lessons from this course, (3) presentation skills, and (4) entertainability.

SCHEDULE:

<u>Session</u>	<u>Date</u>	<u>Activity</u>
1	(9/02 Wed)	Introduction to the Course (<i>ML</i>)
2	(9/07 Mon)	L1: Foundations of Japanese Business Culture (<i>ML</i>)

<Readings to be completed by Sept 9>

From International Cultural Differences (Redding):

READ “Introduction” (6 pages)

SKIM Chapter 1 “Theories of Culture” (Keesing) (22 pages)

READ Chapter 2 “The Cultural Relativity of the Quality of Life Concept” (Hofstede) (9 pages)

SKIM Chapter 5 “The Social Construction of Business Systems in East Asia” (Whitney) (24 pages)

READ Chapter 20 “National vs. Corporate Culture: Implications for Human Resource Management” (Schneider) (14 pages)

READ Chapter 21 “Parochial Dinosaur” (Boyacigiller) (first 4 pages only)

READ Chapter 22 “GNP and the Gods” (Berger) (14 pages)

From Managing People and Organizations in Changing Contexts (Martin):

READ Chapter 5 “Managing in an International Context” (National Culture Values, pp. 169-181) (13 pages)

SKIM Chapter 5 “Managing in an International Context” (the rest of the chapter, pp. 181-209) (29 pages)

From Understanding Japanese Society (Hendry)

READ Preface and Introduction (13 pages)

READ Chapter 1 “Sources of Japanese Identity” (18 pages)

- 3 (9/09 Wed) Discussion of Readings from L1 (ML)
4 (9/14 Mon) L2: Japanese Business Practices: Kaisha (ML)

<Readings to be completed by Sept 16>

From International Cultural Differences (Redding)

READ Chapter 8 “Japanese-Style Management: Socio-Economic and Cultural Factors” (Yang) (25 pages)

From Japanese Business: Culture and Practices (Alston and Takei)

READ Forward and Introduction (8 pages)

SKIM Chapter 1 “Japanese Culture” (35 pages)

From Kaisha: The Japanese Corporation (Abegglen and Stalk)

READ Chapter 8 “Whose Company Is It?” (33 pages)

From 21st Century Japanese Management (Abegglen)

READ Preface (3 pages)

READ Chapter 1 “Perspective on a Half-Century” (23 pages)

READ Chapter 4 “Japanese Style Management” (18 pages)

- 5 (9/16 Wed) Discussion of Readings from L2 (ML)
6 (9/28 Mon) L3: Japanese Business Practices: Firm-Employee Relations (KI)

<Readings to be completed by Sept 30>

READ “Sayona salaryman” (article emailed to you on Sept 21)

READ “Orix KK: Incentives in Japan” (distributed in Sept 16 class)

- 7 (9/30 Wed) Discussion of Readings from L3 (KI)
8 (10/5 Mon) **Field Trip1** (lunch/tour: Inaniwa noodle factory/sake brewery) (KI)

<Reading to be completed by Oct 7>

READ the Gerald Davis article “The rise and fall of finance and the end of the society of organizations” (by Gerald Davis) (distributed in Sept 28 class)

READ Mark Scher’s Japanese Interfirm Networks and their Main Banks (pp. 36-59), which is part of the chapter on “Relational Access v. Western Economic Paradigm,” and all of the chapter titled “Origins of the Japanese Firm and Interfirm Networks.”

- 9 (10/7 Wed) L4: Japanese Business Practices: Cooperation & Competition (ML)
10 (10/14 Wed) Discussion of Readings from L4 (ML)

<Reading to be completed by Oct 16>

From International Cultural Differences (Redding)

READ Chapter 3 “A Buddhist Economic System – In Practice” (author Pryor, was in our first packet readings) (15 pages)

- 11 (10/16 Fri) L5: Japanese Business Practices: Japanese religion and business (Guest lecturer: Prof. Machida) (ML)
12 (10/19 Mon) Discussion of Prof. Machida’s lecture (ML)
13 (10/21 Wed) **Field trip2** (Akita prefectural headquarters (“kencho”)) (KI)

<Reading to be completed by Oct 26>

READ “Global lessons from Japanese and Korean business groups” (distributed in Sept 16 class)

<Reading to be completed by Nov 4>

READ “Culture, meaning, and institutions: Executive rationale in German and Japan” (distributed on Wednesday, October 21)

- 14 (10/26 Mon) Discussion of Readings for L6 (KI)
- 15 (10/28 Wed) L6: Japanese Business Practices: Akita business (Takeuchi) (KI)
- 16 (11/2 Mon) **Midterm exam** (KI)
- 17 (11/4 Wed) L7: Discussion of “Culture, meaning, and institutions: Executive rationale in German and Japan” (ML)
- 18 (11/9 Mon) **Field Trip3** (*visit SoftAdvance and meet Mr Sugawara*) (KI)
- 19 (11/11 Wed) L8: Japanese Business Practices: Japanese philosophy and business (Guest lecturer: Prof. Nilson) (ML)
- 20 (11/16 Mon) L9: Bushido’s influence on Japanese business behavior (Guest Lecturer: Prof Michihiro Matsumoto) (ML)
- 21 (11/18 Wed) L10: Japanese Business Practices: Case: Yokohama Bank (KI)
- 22 (11/20 Fri) **Field Trip4** (*visit Fukurokujyu Brewery and Morning Market of Gojome-town*) (Prof Maenaka)
- 23 (11/25 Wed) L11: Japanese Business Practices: Case: Nomura/Citibank (ML)
- 24 (11/30 Mon) Team project presentations (KI)
- 25 (12/2 Wed) Team project presentations (KI)
- 26 (12/7 Mon) Team project presentations (KI)
- 27 (12/9 Wed) **Field Trip5** (*TDK and Yurikogyo – meet Seiichi Suda*) (ML)
- 28 (12/14 Mon) Review (KI) (ML)
- 29 (12/16 Wed) **Final Exam** (KI)

Legend: (ML) indicates class sessions led by Dr Mike LACKTORIN; (KI) indicates class sessions led by Professor Ken ISOGAI.

**Note that the order of the above schedule may change due to the availability of guest speakers and timing of field trips. Field trips are all tentative and may need to be changed depending on availability of the company in question. (ML) indicates that Prof. Lacktorin will lead this class. (KI) indicates Prof. Isogai will lead the class. “L1” means “Lecture #1. “L2” means Lecture #2.” And so forth. Illustration below is of “interrelateness”(Indra’s Net), which will be discussed in the November 11th lecture by Prof Don Nilson.*

