Significant Historic Origins That Influenced The Team Concept In Major Japanese Companies

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Abstract

Major historical aspects of the Japanese people reinforce their continued inclination to conform to societal norms at the cost of their own individualism. We look at this unique characteristic of their country, often referred to as a need for dependence versus the need for independence, with a historic perspective. We seek to identify these historic roots and its ramifications on the successful team-based Japanese management style. This paper examines the team concept as witnessed in: (a) rice growing activities (100 B.C. to present); (b) religious influences, (500 B.C. to present); (c) the Tokugawa Period (1600-1867); and (d) the Meiji Period (1868-1911).

Introduction

In the late 1970's and early 1980s, scholars and executives strongly proclaimed the advantages of Japanese methods of doing business and advocated adopting the team concept in management (Tung , 1986). Numerous management books surfaced on the subject, and many of these books became top sellers. For example, Pascale and Athos' (1981) *The Art of Japanese Management* and Ouchi's (1981) *Theory Z.* Academic publishers rushed to hire translators to turn Japanese works into English to gain even more insight into Japanese management practices.

Many U.S. companies promptly experimented with what was perceived as Japanese management, but their efforts rarely produced the magical results that these executives expected. Academic critics would later discuss cultural dif-ferences as one reason for the failure, but this perception did not gain momentum for many years. Instead, authors wrote books on the disillusionment of Japanese management principles, such as Sethi, Namiki, and Swanson's (1984) *The False Promise of the Japanese Miracle.* The primary reason for failure of Japanese management styles in the US may be attributed to improper implementation or flawed analysis of underlying sociocultural factors. Seeing that Japanese management styles is not the panacea to all management ills, US companies turned inward again to try to solve their own problems. This movement is evident from the massive appeal for Peters and Waterman's (1982) *In Search of Excellence: Lessons from America's Best Run Companies*, which became a best seller even though most of the examined firms would later face difficulties (Tung, 1986).

Today, many companies are again examining the success of Japanese management practices (Lorriman and Kenjo, 1994). Writers continue in their attempts to explain the impressive achievements of some Japanese businesses. Explanations for Japanese prosperity have steadily grown longer, and presently include their cooperative atmosphere between government and business, positive industrial relations with their union system, loyal workers due to cultural attributes, the successful use of quality circles, long term investments, and strong competition in the domestic market. Now, many companies are trying to reproduce the success of Japanese companies by creating work teams (Kagono, Nonaka, Sakamoto, & Okumura, 1985).

With Earley & Singh's (1995) call for a greater emphasis on cross-cultural learning and research to understand the roots of intercultural management, we see a renewed interest in understanding the sociocultural factors that make Japanese management styles a success. We seek to identify the underlying sociocultural factors that make the team concept a successful management style in Japanese companies. We look at the team concept in (a) rice growing activities (100 B.C. to present), (b) religious influences, (500 B.C. to present), (c) the Tokugawa Period (1600-1867), and (d) the Meiji Period (1868-1911). By understanding the history of the team philosophy in Japan, we gain insight into the social and cultural implications before attempting to apply them to US companies or US companies of Japanese origin.

We do not attempt to explore all the different theories that have surfaced in academic and business circles concerning what makes the Japanese so successful. What Lorriman and Kenjo (1994) find extraordinary is how little real effort has emerged to truly discover all the answers for Japan's business achievements. One area that has not been fully explored is the historical cultural reasons for present day Japanese work-teams used in many major corporations. This paper attempts to search for the origins of why some very successful Japanese companies are designed around teams; and investigates the major historical aspects of the Japanese people that reinforce their continued in-

clination to conform to groups and societal norms at the cost of individualism. We examine this unique characteristic of the Japanese, often referred to as a need for dependence versus the need for independence (which is often prized in the United States), for its present influence on successful team-based management style of some Japanese companies.

We hypothesize that historical cultural aspects of Japanese society make the team approach a logical management style to successfully implement in Japanese companies. Although the needed detail to support the hypothesis does not allow an exhaustive history of every aspect of Japanese society, this paper explores significant time periods and cultural influences for their impact on success of team-based management styles. As such, this paper examines how teams were encouraged in Japan through (a) rice growing (100 B.C. to present), (b) religious influences, (500 B.C. to present), (c) the Tokugawa Period (1600-1867), and (d) the Meiji Period (1868-1911). We intend to show that teams are utilized in several companies because they are a significant natural and historical part of the Japanese people. However, the team concept is not practiced in all Japanese companies, a possible reason is the influence of western culture on present day Japanese management styles (Durlabhji, 1990). This paper is clear in its focus - - it attempts to highlight the historical factors that facilitate implementation of team based management styles in Japanese companies. This paper does not intend to explain reasons behind the success or failure of implementing team based organizations in (1) Japanese companies in US, (2) US companies, and (3) Japanese companies in other parts of the world because of the numerous possible environmental (social, legal, technological, and economic) factors that may impede practice of team based management styles. Addressing these problems is beyond the scope and intent of this paper.

Rice Growing and Teams (100 B.C. To Present)

Work Together or Risk Starvation

Hayashi (1988) credits the group dependence features of Japanese society as a result of an-

cestral rice growing activities which began around 100 BC. Rice growing transformed Japanese society as it became the foundation for the economy until their industrial period (Hane, 1986). Even today, rice growing is a group event requiring coordination in defining and allocating work. Farmers must work together because all fields are watered and fertilized at exactly the same time. Upstream farmers are careful not to submerge downstream paddy farms by flooding their fields. Everyone must also drain their fields at the same time as the rice matures. In contrast, Kansas or Iowa farmers till their land miles from the closest farmer, and do not require group efforts of other farmers (Hayashi, 1988).

The Need For Worker Generalists

In the rice fields, labor is not specialized because everyone is essentially a generalist. All members till the land, plant, water, weed, and harvest the rice. The work essentially follows distinct stages at distinct time frames within the season. This step by step production process favors collective work to tackle the large volumes and does not allow individuals to pick specific chores. Today, major Japanese companies still prefer generalists over specialists. These companies feel that employees require cross-training to enable them to understand and function effectively in the complete production process rather than be confined to a specific function. In contrast, the predominance of hunting for food and sport in the US led to an emphasis on individualism and specialization. For example, hunting required methods of specialization, with some flushing out the prey, and others staying to wait for it. In addition, hunters need new methods and weapons to catch prey. However, rice cultivation is the same year after year (Hayashi, 1988).

Early Lifetime Employment

Lifetime employment is related to the following rural metaphor: "if you patiently stay in one place, the crop will ripen and the harvest will be ample". The metaphor emphasizes the importance of patience, longevity, and commitment - - principles of lifetime employment. Though floods

and drought may reduce crops, farmers needed to persevere, probably learn from such experiences, and plan better for the following season. A drought did not force farmers away from their group, in fact the group provides support to its members in times of hardship. Although not all modern day companies offer lifetime employment, its use is credited for helping maintain the successful team approach in companies that use it. Odaka (1986) emphasizes that feudal community members had no strong reasons to leave the group. The result was lifelong membership to the group, and a selfless duty to the community.

Participative Decision-Making

Furthermore, rice cultivation did not require a powerful leader which is another characteristic of good teamwork. For example, the entire rice operation was repeated in exactly the same way each year, and the village groups made decisions through unanimous consensus (Hayashi, 1988). The village head did not use autocratic power to control the community but relied instead on individual loyalty to village decisions (Odaka, 1986). Participative management among community members in decision making was practiced with the village head giving final approval. This decision making process was logical because full cooperation was needed by everyone to make the rice crop successful and if a decision was bad, no one individual was blamed for it. These values are what the Japanese call the theory of groupism (Odaka, 1993). As such, Japanese bottom-up management which is key to Japan's team success was already institutionalized long before modern Japanese management. Hayashi (1988, p. 94) stresses that the Japanese equivalent of the word "competition" did not exist in the language until 100 years ago. The author, Fukuzaw Yuchini (1835-1901) who coined the term explained that "it was a cutthroat Western concept".

Bottom-Up Management

Initiating group decision making with the common worker was critical during ancient rice growing years, because if one person went out on their own, the entire crop could face possible dam-

age due to shortage of labor. Sasaki (1981) stresses that this group decision making remains in most major Japanese companies because fewer items of a decision are missed, the trauma of change is reduced, commitment to change is enhanced, and innovations are made possible. Nanto (1982) points out that the responsibility for consensus decision making rests with everyone, so that not one person is responsible making "scapegoating", placing blame, impossible. So when there is a problem, no one asks who is responsible, but instead where did we go wrong (Wallace, 1972). This approach to decision making gained the essential cooperation needed to harvest a successful rice crop. In addition, by not allowing one person to take special credit or blame, villages were able to remain in harmony without members taking sides or causing a division. Odaka (1993) notes that the traditional family was expanded to include all in the village that worked together to cultivate the rice fields. Without group cooperation, everyone would have starved. Leadership is not viewed as authoritative power but as a way to "take care" of others (Sasaki, 1981).

Even today in major Japanese companies, the lowest level subordinates have strong discretionary authority and senior people do not override subordinate decisions without good reasons. The organizational support to lower level decision making provides impetus to team culture through shared responsibility and accountability. In the US, workers tend to believe that we must go to the top to get a decision, but decision making starts at the bottom in Japan and works its way to the top. All decisions are cleared with the lower level employees before it reaches the executives. Bottom-up decision making may reduce speed but keeps communication channels open and strong. However, once made, the decision is implemented speedily. Managers even prefer unanimous consensus over majority rule - - the group is in it together (Nanto, 1982).

Dependency Relationships

The long years of rice growing created a society based on dependent relationships. As discussed, one person could not cultivate the rice

fields. People either worked together or faced death. As a result, Hall and Hall (1993) affirm that the Japanese are even today still more comfortable with working with someone if the relation is one of dependence. In fact, the Japanese seek dependency relationships.

Society often stresses that a person's loyalty to the group, such as in a major company, is one of lives highest values. One reason modern teams work so well in many Japanese companies, is that group members will not openly criticize other team members, and would never say, "I told you that wouldn't work" (104). They do not understand how someone could criticize their company or country, and show such disloyalty. Constant interaction, open communication, relationship dependence, and personal interactions make members highly cohesive. The resulting cohesiveness creates an ambience supportive of non-verbal cues over verbal communication. In fact, much of what a Japanese person says is not what they mean, but the person can know what is meant through the situation, context, and the relationship. Sasaki (1981) points out how the tradition of not openly expressing ones feelings helps with teams because no one is singled out negatively in a group. The group dependency aspect of Japanese culture is so strong, that employees at many companies do not lunch alone because others may misconstrue as an insult (March, 1992).

In modern Japanese teams, the whole group is still viewed as more important than the individual component. In fact, the Japanese did not even celebrate the birthdays of individuals until the Western custom became popular in Japan after world War II. However, the emphasis on group effort in Japan still means that streets and ships are rarely ever named after famous people. The Japanese feel that there is no reason to single out one member for recognition. Letters and books are authored with the person's last name first and the first name last to emphasize importance of group over the individual. Their customs also encourage group awareness, such as the public bath in which an individual may not selfishly request a comfortable water temperature based on individual needs. In restaurants, all Japanese in a company group

will order the same meal to express group solidarity (Hayashi, 1988)

Child-Raising

Japanese mothers continue the practice of discouraging independence of offspring. From an early age, rice-growing parents rarely gave their children any cause to develop individual talents, ambitions, or personalities. Parents did not want to raise a child that would later play truant and cause disharmony in the village. As a comparison, an American mother sees her baby born in dependence, and recognizes that she must train the infant for independence. A Japanese mother sees her baby born as separated from her, and thus she needs to train the infant in dependency. As a result of these different perceptions, Japanese babies often stay in the same room with parents, while U.S. mothers often go to great pains to put them in separate rooms. Japanese adults are trained from birth to work effectively in a team-based organization.

Religious Influences and Team Values

Confucianism (5th century B.C)

Long and Seo (1977) assert that in the US, the Protestant work ethic emphasizes self-reliance, but in Japan the Confucianism, Shinto, Taoism, and Buddhism belief systems have created a homogeneity alien to the West. All of these philosophies denounce individual efforts for material gain, and each believe that happiness and harmony come from conforming to natural rules and obedience. Whitehill (1991) argues that there is little doubt that Confucianism underlies the behavior and attitudes of Japanese managers. For example, three of its teachings include a high value for education, complete loyalty to one's superior, and total obedience to family. Strict family norms were a major aspect of Japan's feudal period. Today, this influence is observed not only in the natural family, but in the work family. Durlabhji (1990) affirms again that the strongest influence on Japanese social relations were the ideas of Confucius in 551-479 BC.

Pascale and Athos (1981) feel the major difference between Japanese institutions and the West is the US tendency to rely on organizational structure and formal systems to control resources, to create organization efficiency, and to delegate responsibilities. In contrast, the Japanese rely on social and spiritual means to create structure, control, and efficiency. For example, Japanese workers singing a daily morning song about values, is a tradition that dates back to the beginning of the century. Employees are often not only trained in work processes but also in the spiritual values of the firm. For example, the values of a Japanese firm based on Confucian principles are "1) national service through industry, 2) fairness, 3) harmony and cooperation, 4) struggle for betterment, 5) courtesy and humility, 6) adjustment and assimilation, and 7) gratitude" (Pascale & Athos, p. 51). These values, constantly reinforced, create consistent expectations between employees from continent to continent, and permit a decentralized and complex firm to operate extremely well.

One of the Confucian doctrines, the notion of worldly rationalism, is a concept that meant that all things could be interpreted and understood by learning basic underlying principles. It perceived man acting in harmony with nature contrary to western beliefs that perceived nature as harsh and confrontational. The rationality in nature and harmony of man's actions with nature influence modern society's values of harmony and rationality (Okochi, Karsh, & Levine, 1974). Sours (1982) asserts the fact that the Japanese have one lawyer for every 10,000 citizens compared to the US with 20 for every 10,000 is a reflection of trust and emphasis on group harmony. Written contracts are not perceived, by employees and executives, as important as relationships and personal meetings. Long and Seo (1977) assert that the Confucian reverence for education should get credit for creating a totally literate nation, which adds to group homogeneity. Education is highly valued in Japanese society requiring employers to arrange for courses that cover a wide range of topics including engineering, flower arranging, poetry, with no direct need to obtain a business pay-off. Confucianism encourages an inner drive for satisfaction through educational development.

Lorriman and Kenjo (1994) mention that employees have a written personal development plan, and each of these plans contains a summary of lessons learned. De Mente (1981) stresses the importance of higher education in promotions by noting that employees require higher education to become managers. Johansson and Nonaka (1987) interestingly note that formal business education is unusual in Japan, and still a novelty in the country.

White (1989) explains that strict loyalty to superiors and a high value for education begins as early as elementary school. For example, not only do students have to comply with prescribed hair length to attend school but also with color codes for underwear. Teachers, however, are extremely positive, supportive, and nurturing. Even at this early age, assignments are made to groups not to individuals. Students are praised within the group and allowed to make mistakes until success is reached. However, groups are often made to compete with each other. Excitement, loud classrooms, and spontaneity are the norm in classrooms as long as it pertains to education.

Teachers are given high pay and respect. Classes are large with 42 students per teacher, but most visit student's homes and are given the added responsibility for developing and maintaining morale of students. Another dominant concept, which is reinforced in families, school, and work, is that "the whole is more than the sum of the parts" (Hayashi, 1988). Hayashi (1988) stresses that teachers try to raise the entire group to the 80 level instead of have some students at the 70 level and some at the 95 level. As such, the entire school system teaches group concepts, and tries to raise the level of the group not the individual. Students learn that physical labor is not just meant for the bottom of the social scale; students and teachers share classroom janitorial duties(McMillan, 1985). Yamazaki (1985) asserts that over 50% of men go to the university putting in an average eight hours of study a day after middle and high school classes. In contrast to Western Societies, individuals from wealthy families are often perceived as inferior to those with more education (De Mente, 1981).

Buddhism (6th Century B.C.)

Hayashi (1988) mentions that Kurt Lewin (1890-1947), in his Gestalt philosophy, perceived wholes in a similar way as the Japanese, but that this concept was not prominent in Western management thought. In fact, Westerners tend to isolate elements of a problem, examine each element objectively, weigh advantages and disadvantages of each, and then make a decision on the best course of action. However, the Japanese perceive the answer to a problem as located within the whole and not its details. Japanese are less concerned with the elements and more concerned with sudden insights to a problem. This philosophy is thought to have originated from Zen Buddhism, which relies on disciplined intuitive breakthroughs.

Nakamura (1964) asserts that Buddhist teachings stress loyalty to specific individuals. Feudal Japan emphasized the loyalty principle in Confucian Ethics, which meant the sacrifice of self for the sovereign, family, or community (Reischaurer, 1970). In fact, when the Japanese brought Confucianism from China, the order of the Five Principles were switched so that loyalty to superiors was made the most important principle (De Mente, 1981). Durlabhji (1990) asserts that the employer and employee relationship is not just an economic arrangement for both parties. For one thing, company personnel relationships are similar to kinship family relationships. Once formed, people expect more than just a work relationship and involve themselves emotionally. In addition, Japanese Buddhism Zen influence the work environment through its discouragement of egoism in a person's life. As such, work fulfillment is meant to come not from the work itself, but from an employee's attitude towards the work.

According to Rohlen (1973), three of the many Zen Buddhism beliefs are used in most companies. First, self-improvement involves learning to become less selfish and to be of greater benefit to one's company and to others. Improvements in the ability to serve others inevitably mean greater benefit for the individual himself. Second, a company or any group of people working together requires cooperation and good relations. These

things can only be attained when people are not selfish. Third, training of any kind must be painful and difficult for only in this way can the improvements of character be accomplished (191).

Rohlen (1973) and Sasaki (1981) note that many Japanese firms train new employees in spiritual philosophy, such as Zen, and Confucian. Employees often listen to inspirational messages, learn pride and respect of company, and assimilate their responsibilities to country through work at company. It is not unusual during training to visit a Zen temple. Lu (1987) affirms that training as an effective team player starts on the first day of job - new employees in some companies are sent to a Zen temple to sleep in the same dormitory, and share gardening and kitchen duties; their form of team-building activities. Lorriman and Kenjo (1994) contend that new employees are extremely eager to learn, work long hours, and sometimes stay after hours at their desks in their underwear on hot nights. Training often starts at least three months ahead of starting date, and often consists of classes in corporate values, vision, and history. Beck and Beck (1994) point out that job rotation also helps groups work better together because everyone eventually understands how all areas must function together and the perspectives of others.

Sontoku Ninomiya, a nineteenth century philosopher, added to this notion of strong loyalty by stating that the biggest obligation of man was to repay his duty to his employer and to his society. His philosophy received greater emphasis during the Meiji period, with his statues being erected at most elementary schools, to remind children of work related values (Crawcour, 1978). Barnlund (1989) stresses that teams are also successful in Japan because the people do not have a strong need for reassurance of one's individual status or opinion. In their cultural beliefs, they already know where they stand. In contrast, Americans often feel a need to state their opinion, and this is easily shown through their massive use of bumper stickers, and through graffiti on bathroom walls.

March (1992) points out that most Japanese firms have orientation for white collar work-

ers by not assigning them any work. These new employees are told to "soak up the atmosphere", get to know the place, and then come up with ideas on what they want to do. The Japanese do not believe in creating a job structure in advance. Most employees are hired, left on their own to learn the company, take classes, ask questions, and then shoulder responsibilities. The Japanese emphasize intuitive understanding and familiarization with the environment. This concept demonstrates the high-context nature of their culture which means the circumstances of a situation are extremely important for reacting and evaluating events. America is a low-context culture, where situations are evaluated with more indifference to the context and with a stronger emphasis on legal guidelines, logic, and principles. For example, westerners are not accustomed to the lack of job description or specifications. Japanese view job descriptions as creating too much structure and reducing flexibility. Americans also view the first year on a job as the time to prove themselves, but Japanese management often see the first year as a time to adjust and very little is expected.

Amae (specific date unknown)

De Mente (1981) argues that Japanese teams are a product of their unique civilization, and that their values are the results of thousands of years of metaphysical and religious conditioning. A specific date for the introduction of this phenomena in Japan is unknown because it was not discovered and researched until studies on dependency theory began in the 1960's (Johnson, 1993). However, amae was discovered in the traditional Japanese village during the traditional rice growing years and is found throughout their culture today (Winston, 1992). De Mente (1981) considers the concept of "amae" as the pillar of traditional Japanese character. Amae means "indulgent love" which is a type of love a baby must feel for his mother, that one must experience to feel right in Japanese society, and which is necessary to form an ego-less relationship between the mother's love and the infant's trust. In practical terms, the Japanese feel uncomfortable in any relationship that lacks "amae" and thus doesn't create a strong feeling of confidence and trust with the other party.

Takeo Doi, a leading Japanese psychiatrist, observed that this principle is most often unrecognized in the West (De Mente, 1981).

In Western Societies, parents and other adults often repress the need for Amae as the child grows, and eventually push for its extermination. A popular U.S. phrase is "pushing the bird out of its nest". In contrast, the Japanese treat amae as important throughout life and is often referred to as a concept of harmony and peace. This concept often frustrates Western business persons who try to create a close relationship with Japanese business establishment within a short period of time, a relationship that may take years to build (De Mente, 1981).

The advantages of amae include the ease of acceptance of group ideas and the ultimate use of these solutions without major conflicts. Amae instills a strong need for knowledge, anything unknown makes amae impossible and creates an unacceptable threat. The Japanese feel, "We must learn everything there is to know about it in order to protect ourselves - and if there is anything worthwhile in the new thing we will adapt it to our own uses" (De Mente, 1981, p. 22). The significance of amae remains in today's Japanese culture, even for Japanese-Americans living in the United States (Johnson, 1993). In fact, even the best U.S. mental health professionals rightfully avoid emphasizing the independence of Japanese children from their parents during counseling sessions (Paniagua, 1994).

Tokugawa Period (1600-1867)

Beck and Beck (1994) maintain that the Tokugawa period which lasted until 1868 exhibited little of what Westerners would call individualism. Each person was defined by family status. Even Shogun Yoshimune (1716-1745) discouraged individualism by prohibiting the creation of new businesses. The official message was that everyone was to look to the good of the nation and not to themselves. The primary control mechanism for this philosophy was the family and community group. In fact, the highest form of punishment was expulsion from family, which not only punished

the individual, but vindicated the family to the community.

Apprentice System

During the feudal stage that lasted until 1868, the work relationship was usually for life, very personal, and provided a logical means to pass a handicraft to the next generation. A common group loyalty mechanism was to have young apprentices go live with his master which formed a type of kinship parent-child relationship (Hazama, 1976). The family, not the child, arranged the apprentice work position. As a result, many workers depended on their employer for emotional and physical needs which was previously given by their parents. In addition, this dependency created a need to be wanted and loved by the employer (Bennett and Ishino, 1963). These apprentices were hired at puberty and received basic necessities but no pay until the age of seventeen. As a result, apprentices couldn't accumulate money and separate from the company. Apprentices were often adopted by the master's family. A promotion often did not come until later at the age of around 30. If a trainee left the apprenticeship early, no other master's house would take him, and he was left with low status employment. Today, many employees that leave most major Japanese companies must start at the bottom of the next firm if they are hired at all (Bennett and Ishino, 1963).

Seniority Systems

The differences in cultural motivation for the Japanese worker also adds to success of their teams. Most Japanese credit the seniority wage and promotion system as a prime motivator for high performance. In contrast, Western companies often see seniority systems as negative, and a cause of complacency and laziness. The Japanese, however, view it as a method to work hard without anxiety, power struggles, empire building, or interpersonal competition. Most Japanese work hard because they do not want to cause trouble for other members of the group. In fact, culturally group work is considered right, good, and highly satisfying. Competition does exist, but it exists as collective teamwork and not through individuals

(Whitehill, 1991). In addition, promotions are not usually given for at least 10 years and every avenue is used to minimize any individual from standing out in salary or status before this time (Yoshino and Lifson, 1986).

Nanto (1982) contends that promotions within groups might destroy the fabric of a group because everyone is supposed to work equally together. As a result, promotion is often given by age and length of service; this helps maintain group harmony. Groups often remain in tact because the same teams move together, and to leave the firm would mean starting at the bottom elsewhere. In addition, groups have strong incentives to make long term not short term strategic decisions, because the best promotions come later in life and groups want the company to do its best so there are more jobs. For example, one Japanese company is "50 years into its 250-year plan" (Lorriman & Kenjo, 1994, p. 193). Furthermore, almost all recruitment comes directly from the universities so that the new employees can spend a lifetime in certain organizations (Nanto, 1982).

Takeuchi (1985) contends that senior managers will not even try to win arguments with subordinates because they feel it discourages the subordinates will to work. In other words, purposely losing an argument encourages them to work and thus helps the company. The Japanese philosophy emphasized that the most important task of a manager is to enable subordinates to work as a team, and to develop their abilities and their confidence. In addition, all rank and pay is decided by seniority, this aids upper-level managers to help lower-level managers without fear of future competition. Koike (1988) asserts that Japanese workers attach such an importance to the group, that they will work hard knowing that basic pay increases is often based on seniority and not extra effort. Seniority was often placed before talent when making promotions (De Mente, 1981).

Lorriman and Kenjo (1994) point out that during this period, if a crime was committed by an individual the entire community was held responsible. However, most rule enforcement involved psychological pressure from group members.

Hearn (1923) points out that excessive individual competition could mean losing your job. For example, guild members could not take customers from another, and rickshaw runners could not overtake another driver.

Tokugawa Period and Modern Loyalty

Pegels (1984) states that Japanese workers have moved their historic feudal ties of loyalty to the corporation. He credits this group loyalty for their superiority of products, profits, and market. Beck and Beck (1994) assert that most of the values and beliefs of today's Japanese business can be traced to the Tokugawa period. March (1992) mentions that the Japanese have an expression, "onaji kama no meshi o ku," which means "eating rice from the same pot." These words originate from feudal times when young male apprentices trained and lived together in dormitories where they ate rice from one central pot. This Japanese intimacy has meaning today as the belief to live together and to share with your peers.

Even before the Tokugawa period, Prince Shotoku in seventh century A. D. made obedience and harmony the highest principles of the Japanese society (Yoshino, 1967). Later, businesses used teams to imitate these close-knit communities. In the eighteenth century, the large mercantile houses engaged in pharmacy, mining, shipping, and other activities, used the principles of team-dependency and this practice because one of the biggest secrets for their success (Odaka, 1993).

Okochi, Karsh, & Levine (1974) also feel the value system of the Japanese should be examined from the Tokugawa period. One value system centered around the ruling class or samurai. The other revolved the merchant, farmer, and the artisan. Confucianism was central to the samurai system of values and beliefs. The Tokugawa government made Confucianism the official doctrine and made sure its principles were diffused to the people. The principles were used to establish an ethical base for the samurai's control. The Japanese adopted Confucianism from the Chinese, but they also added loyalty to the ruler as one of their own principles. Today, even most labor unions

exhibit this strong loyalty to their company even during a strike. For example, in a one-day strike against an American subsidiary in Japan,...the union gave management six weeks notice of the walkout, cleaned up the coffee cups and cigarette butts after the day long strike, and made up for lost production with no overtime the following day. When queried as to why the union members acted in such an inexplicable manner, a worker answered that the strike was necessary to let management recognize their grievances. The worker stated, however, that the company belonged to the union members too, and they did not want to give the idea that they were disloyal to the firm (Nanto, 1982, p. 10).

Dickerman (1974, p. 2) describes how Japan "from 1639 until the signing of a Treaty of Friendship between the Tokugawa Bakufu government and Commodore Mathew Perry of the United States in 1854, remained rather completely isolated...except through the Dutch factory on Dejima Island in the harbor of Nagasaki". In this feudalistic period, the economy remained the same, population did not significantly increase, feudal lords were allowed only a specific amount of rice output, and outsider contact was prohibited.

As a result, the Tokugawa Shogunate system failed because of no expansion in the economy, and a law against contact with outsiders. Emperor Meiji was restored to power and feudalism was abolished. The Meiji period (1868-1911) become a time of restoration, and a recognition by leaders that Japan needed industrialization and international trade. Education also became compulsory in order to move the country faster into modern civilization. In addition, a change in the political structure made it possible for anyone to hold high ranked positions as long as they had the education and skill. This went against the a past in which only those from certain family backgrounds could hold high positions (Dickerman, 1974).

Meiji Period (1868-1911)

Sours (1982) argues that the Samurai saw themselves as superior to others, and justified their status through their loyalty to feudal lords and their taking care of subordinates. When the feudal order was abolished in 1868 under Emperor Meiji, these beliefs were transferred to the business world during the industrialization of Japan. For example, the loyalty concept transferred to their corporations and societal values accepted the power as long as it was viewed legitimate. Today, this legitimacy is determined through graduating from one of the best universities. Another historical tradition is the belief that problems will be around forever, thus everyone must work together to work on the problem. Because all are involved in decisions, each person's reputation rests on making it successful. While U.S. firms sometimes uses management by objectives, the Japanese define the goals by all in advance not just a view at the top. The result is little resistance in decision implementation and all committed to the success.

Shibusawa, a major bureaucrat, believed that "in order to get along in society and serve the State, we must by all means abandon the idea of independence and self-reliance, and reject egoism completely" (Kinmonth, 1981, p. 339). Ekken Kaibara, in the late eighteenth century, urged citizens to go beyond official duties, to consider the feelings of others, to accept group opinion, and to avoid flagrant exhibition of intellect (Kinmonth, 1981). This idea of absolute loyalty also helped protect the Tokugawa rulers from being overthrown. "According to Professor Yotaro Sakudo, a management historian at Osaka University, the major practices of later-day Japanese management, including lifelong employment, the seniority-based hierarchy, the apprentice system, training and discipline, respect for harmony, group decision making, and humanistic management, were often emphasized in the family precepts of the mercantile houses" of this time (Odaka, 1993, p. 26). As such, even dull repetitive work of the Japanese industrial revolution was made significantly more meaningful and fulfilling through team-dependence, which encouraged employees to take pride in the smallest aspects of their work (Odaka, 1993).

In 1868, the Meiji Period maintained the group culture concept, but added education as a new way to gain a place of status in the commu-

nity. A policy, that began in 1900 and became universal at big firms, was that only recent college graduates could be hired for the best positions. The surplus of applicants over opportunities in companies made it easier for rules of etiquette to be placed on workers and enforced. Promotions came to those that conformed to the group life (Beck and Beck, 1994). Those that chose individualism were terminated. The standards were high, because too many had similar education and skills, so conformation was one of the few ways to discriminate between them (Beck and Beck, 1994).

Companies placed an emphasis on fitting in, and if someone seemed too talented for a group, the person was not hired because he or she may stand out and cause friction. In the first few years at the firm, employees are not given much more than menial tasks. Instead, an emphasis is placed on training them in the culture, getting them use to bowing, and checking them out before they go forward into serious tasks. It didn't matter how productive the manager or how talented, if he couldn't create strong group loyalty then the person was not promoted. The educational system also bought into the team-approach, and eliminated all stories from classes which involved individual achievement, and replaced them with examples of group achievement (Beck and Beck, 1994).

Comparing Significant Japanese and U.S. Management Concepts

Sours (1982, p. 35) states that "Douglas McGregor's Theory Y... represent Japanese managerial and organizational forms in virtually their pure state. Finally, Harold Koontz's direct theory of control, which advocates the selection of the best and most loyal people and letting them control an operation, explicitly invokes Japanese concepts, yet it does so within an entirely American context...the Japanese perspective of management...has placed almost total reliance on the human factors within general management theory and then assumed other elements (planning, control, organization) would 'logically' follow".

Japan's main natural resource is people not raw materials. Jobs are not something you just get

into or may leave later, but instead are often jobs for life and not to be taken lightly. The U.S. must discover a way to manage by using the advantages of its cultural and historical backgrounds. Alston (1986) emphasizes that most major Japanese firms often center on these four principles of management: (1) The worker who is able to perform any work duty is intelligent enough to improve productivity and quality of that work. (2) Given the chance, workers want to improve the quality of their work. (3) Members of the corporation form a family. (4) The Group is more important than the individual" (Alston, 1986, page 23). Durlabhji (1990, pp. 57-59) makes this interesting observation: The success of Japanese work organizations as productive systems is certainly remarkable, but a large part of it is attributable to what the Japanese borrowed from Western culture. What is truly unique and original about Japanese work organizations is its success as a social system, a goal of Western Organization Theory has pursued since the birth of the Human Relations School....(The) success of the Japanese work organization as a social system is attributable primarily to Eastern culture: to Confucianism's single-minded search for Wa (harmony), and Zen's more complex vision of human beings...Distrust of the purely rational; appreciation of the unconscious and intuitive.

Some Modern Signs of Teams

Hayashi (1988) mentions that orchestra's do not have a conductor in the front like in the United States. In Japan, the conductor is in the back watching to see if the group is working together well by listening to each other. Nanto (1982, p. 7) contends, "when a Japanese man is asked his occupation, he will answer that he is a Sony or Hitachi man, not that he is an accountant, sales person, or business manager". This group feeling is reinforced through the pay process in which semiannual bonuses can account for a third of total salaries. U.S. workers do not get such a link, unless the CEO. Whitehill (1991) points out that over 90% of Japanese adults will regularly read the newspaper which creates another common bond. In a recent poll, 96% of Japanese consider themselves middle class - one homogenous group (White, 1989). The difference between blue-collar

and white-collar workers is blurred in Japan, and not readily noticed through behavior, lifestyle, or dress. Top management is viewed as the ones on the board of directors, and everyone else is perceived as just an employee (Long and Seo, 1977).

Moroi and Itami (1987, p. 279) also assert that "although Japanese firms are set up as stockholder owned corporations, that's not how they're run. Management looks not to the people who put up the capital, but to the employees". If the firm is having financial difficulty, the president will cut his pay first, then the executives and middle managers, and later the lower employees if necessary. Layoffs will not happen unless there is a high risk of bankruptcy. Even in a recent survey, 85% of managers responded that their chief responsibility was to their employees. In fact, nobody loses their job because of robots (Takeuchi, 1985). The result is that groups can make productivity improvements without risking their jobs. Long and Seo (1977) state that even Japanese industrialization which consisted of selectively importing techniques and ideas from the West, was accomplished without ignoring traditional culture and social continuity. Keeping with the practice that the whole is greater than the individual, economic progress was achieved (even today) by a neglect in social spending on roads, housing, and other public facilities.

Performance Appraisal in Japan and US

In a recent empirical study of performance appraisal practices in Japan and the US, Milliman et al. (1995) found that five reasons for performance appraisal (Pay, Development, Documentation, Subordinate expression, and Promotion) were strongly correlated to appraisal effectiveness. While in the US, despite the suggested emphasis on development (Gomez-Meija et al., 1995), this purpose was not found to be related to performance appraisal effectiveness, but positively related to job satisfaction.

Another finding that Japanese results were largely contrary to their predictions, as the appraisal effectiveness was not related to development and subordinate expression. This finding

supports the ideas presented in this paper, namely, Japanese employees rely more on face to face interactions and constructive group development and criticism of ideas rather than written year-end performance appraisal techniques for development and subordinate expression of ideas. The study (Milliman et al. 1995) brings to fore a classic concept "On the Folly of Rewarding A, While Hoping for B (Kerr 1975, 1995). US companies need to focus on rewarding team-based performance to attain team effectiveness. The integration of team-based performance and rewards into the Japanese corporations is, in our opinion, a crucial factor for success and team effectiveness.

Conclusions

We looked at significant historical and modern Japanese societal aspects that encourage the use of the team management concept in many Japanese companies. The literature supports the hypothesis that cultural features of Japanese society, make the team approach a logical option to successfully execute in Japanese organizations. Through the eyes of traditional culture (including economic/legal, social, political, and technological influences), team management is easily recognized as a normal and essential component of the history of Japanese society. In fact, Japanese employees could not give up their dependence nature any easier than the United States employees could discard their individualistic nature.

The literature found team dependence in literally every major element of Japanese society. Most significantly, in its early rice growing years, through its various religions such as Buddhism and Confucianism, and finally most noticeably during the Tokugawa and Meiji periods of their country's growth. Due to the enormity of this topic and the detail needed to make a thorough argument, we identified and emphasized significant time periods and activities that had the greatest impact on modern team cultural beliefs.

This paper has significant implications for developing and understanding team-based Japanese management styles and its success. We recognize that the historic roots of the Japanese people have

a tremendous impact on their organizations, its structures, and its processes. This paper explains some of the troubles faced by US managers in transferring Japanese management methods to the US. The paper provides insight into the traditions and history of the Japanese and its impact on modern Japanese practices.📖

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