

Interview with Yohei Yamamoto & Miho Iijima of Japan Style Design Inc.

Young Entrepreneurs in Japan Developing New Business

By Japan SPOTLIGHT

An increasing number of college graduates in Japan are today keen on starting their own business, a significant contrast to their counterparts a few decades ago. I was one of those young people who were searching for a job in a large company and expecting promotion and salary increases in accordance with the seniority system of large Japanese corporations. It is encouraging to see that many young Japanese are more independent and pursuing their own enterprises, as I believe we will need more entrepreneurship to raise our economic growth given the stagnant business activity of large companies. Entrepreneurship should not be limited to private business but expanded to social activities too. We call this social entrepreneurship, but it is still unusual in Japan.

The two young people in our interview started their business by caring for young Japanese employees in Japanese companies who were suffering from psychological problems in adjusting to Japanese corporate culture and business customs. They recently expanded their business to cover foreign employees of Japanese companies who also experience such difficulties. This is a social entrepreneurship relevant to current Japanese corporations' need to increase diversity among their employees, based on the notion that racial diversity would lead to more innovation in a company with a variety of ideas. This interview reveals how their thoughtfulness developed into social entrepreneurship. (Naoyuki Haraoka, editor-in-chief)

Introduction

JS: First of all, could you please introduce your company?

Yamamoto: Our company, Japan Style Design, was founded in 2009. I often heard that in the design industry women would not be able to continue to work after marriage or childbirth, so I thought we should found a company that could encourage female designers to continue to work even after marriage or having a child. I wanted to address this social issue, so I founded Japan Style Design seven years ago and since then I have been trying to create jobs for female designers in our company.

We define competency for being a designer as a mixture of communication capacity and design capacity and we believe the first should account for 95% and the second for the remaining 5%. We are trying to specialize in helping the branding of our customers and providing them with designs as our corporate value, and thereby earning a fee for this service. In addition, though many of our designers have been to art colleges, we also employ female designers who have not, if they have high communication abilities.

Having spent our energy on elaborating communication abilities, I heard from the student interns we employed four years ago that in thinking about their own communication ability they were uncertain about what might damage human relations in a Japanese company or



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what to do to improve communication with other people. We then proposed that they create the content for our website to solve these issues, and three years ago we released our “How can some employees with prohibitively bad manners improve them?” This content was disseminated by SNS and eventually around 50,000 people downloaded it during one summer. Given that around 500,000 people are looking for jobs, 10% of these people used this content. Since then we have been increasingly asked to provide education or training services on

communication. This evolved into the development of the e-learning system that we are introducing to you today — “KIBI”, meaning literally knowledge of Japanese social manners to achieve smooth human relations in your company or neighborhood, for foreign students at Japanese universities or foreigners working in Japanese companies. We call this e-learning system KIBI since it is designed to promote understanding of Japanese social behavior. Lack of this knowledge could lead to serious conflicts between foreign employees and their Japanese colleagues in a company.

KIBI for Modification of Communication Gaps

JS: Could you tell us about the development of KIBI?

Iijima: Having organized a number of training programs on communication as well as published books on it, we have had many chances to talk with the management people working for small and medium-sized enterprises (SMEs) about their employees' communication skills. One of the requests of these managers was to improve the communication skills of the foreign employees in a Japanese company.

On one of those days, I had an opportunity to talk with a Korean student. He told me that before he came to Japan he had anti-Japanese sentiments and that he would go back to Korea right after mastering the Japanese language. However, after living in Japan and communicating with Japanese people in his part-time job, he found it a pleasure to work with the Japanese. Then after graduating from a Japanese language school he got a job in Japan and is still living here.

On the other hand, we learned that many foreign students in Japan after starting to work for a Japanese company found it very difficult to adjust themselves to Japanese values that are different from their mother nations' ones and quit their job and went back to their own countries. So having taken advantage of our know-how in developing communication skills, we developed the e-learning system KIBI as a tool to educate them about Japanese business customs and corporate culture. KIBI is a Japanese word meaning subtle sentiments or sensitive human relations which cannot be understood only with a superficial knowledge of the facts. With this, we would like to tell them how they can see those subtle feelings and respond to them appropriately to gain trust from their Japanese colleagues.

JS: What was the content of the “Declaration for graduation from employees with prohibitively bad manners” before you developed KIBI?

Yamamoto: A decade or two decades ago, the main stream of MBA courses used to teach how successful you could be in your business. This was called the “competency model”. But these days young people want to know more about how they can avoid failure or misbehavior irrelevant to a corporate culture, a marked contrast to their seniors. In this light, we defined wrong communication as “that which does not understand human sentiments in depth and makes people angry or embarrassed with only a few words reflecting such a lack of communication capacity”. This does not mean a religious or cultural difference but misunderstanding of what colleagues or business partners really think about their manners and behavior. Thus, what we call employees with bad manners are those who could easily provoke miscommunication.

JS: Among the Japanese as well, do we have a communication problem?

Yamamoto: Yes, in particular among young people. Ms. Iijima herself had such a problem after her internship with our company. Therefore, in development of the KIBI system, she is learning by herself a communication skill for better understanding of those sensitivities of Japanese people.

Young Japanese today are becoming different from those in the past in terms of social manners. They do not read other people's minds or try to do what those people truly want them to do even if not expressed explicitly. We have now an increasing gap in opinions among the different generations on this perception of communication in Japan, just like the culture gaps among nationalities, and we are increasingly asked to help

reduce this gap.

JS: I am impressed by what Ms. Iijima said about her Korean colleague who gave her motivation to develop KIBI. Would KIBI be understood generally as an attempt to improve communication with Chinese and Koreans, who are culturally close to Japanese?

Iijima: Yes, that is correct. In talking with Koreans and Chinese, I feel we share a commonality in understanding sentiments not explicitly expressed by words. However, there are many cases in business where we see a gap in values or perceptions of time or how to present views to the public between Japanese and Koreans and Chinese. At such times, it would be useful for them to learn in advance about Japanese ways of thinking in order to achieve a deal with them.

JS: More specifically, are there any examples of foreign employees finding it difficult to understand Japanese business culture?

Iijima: Yes, at the beginning of our research on the need for our e-learning system we had a chance to meet with a Japanese Brazilian. Two months after having entered a Japanese company, he found a vacant position within it and told his immediate supervisor straightforwardly that he wanted to be promoted to the post and work in a different section. But he found this way of proceeding to be irrelevant in a Japanese company, since it would mean that he would not like to stay with his supervisor but leave him soon. He got into difficulty in his company because of this. He is now working for another company and does not have any communication problems as such anymore, but he told me he had wanted to stay with his first company and would have been able to do so with the relevant knowledge of Japanese business culture in advance.

JS: Straightforwardness can occasionally be badly received in Japanese culture. In many cases, contrary to intentions, frank conversations are taken as impoliteness or disrespect by many Japanese.

Iijima: Many foreigners working in Japan believe that they should speak their minds, unlike their Japanese colleagues, and this can be considered one merit of having foreign employees in a company. But in many cases, they wonder how straightforward they should be, and hesitate to speak as a foreigner on occasions when their Japanese colleagues are silent. Perhaps, on such occasions, if they say “Excuse me, could I say something?” before speaking out, their remarks would be better received. So it is important to know this beforehand.

Yamamoto: Such communication problems could give foreigners negative views about Japanese companies: they might think it is too annoying to work in Japan, or that everything is too feudalistic here, or that meritocracy does not work in Japan, and so on. But we would like them to know that a few words of apology or words showing their concern for others could turn the atmosphere of a corporate meeting into a friendly and harmonious one. We are not providing them with formal rules or obligations but only asking them to see what their colleagues or clients feel in their heart. This is one way of avoiding pointless conflicts, based on a Japanese way of looking at the world: that is, “Do not think but feel it.”

How KIBI Works

JS: Could you show us how KIBI works in keeping foreign employees informed about Japanese corporate culture by describing some specific examples?

Iijima: Yes. Our e-learning system KIBI consists of two parts — a text and test. Our hero Mr. Hanley comes to the Japanese business scene and students learn about how his communication with his clients, the president of his company and his colleagues could affect human relations by looking at the cartoons (*Image*). One example shows Mr. Hanley responding to clients' claims. We show the students three patterns of response — A, B and C — and we evaluate each response by judging its relevance to the business case in terms of exactly what such clients would think about it. We classify the three responses into "Well Done", "Almost" and "Try Again" based upon this evaluation. The students can learn about how Japanese would perceive each of the foreign employee's response in a specific business situation from this text.

A response evaluated as "Almost" could be considered either "Well Done" or "Try Again", depending upon a company's own corporate culture. So in our test part corresponding to the text, to avoid such ambiguity in choosing the best option, students are asked to choose clearly the worst option as "Try Again" in responding to the question rather than choosing the best one.

Yamamoto: In our text, the students are all asked to see each of the impressions that the Japanese clients or colleagues or the company's president would have towards each response chosen by them in order to enable them to understand better what Japanese business people are thinking. After looking at these commentaries on each response, they have to think about selecting the worst potential response according to the situation. These learning materials are available not only on a PC but

also for smartphones. So you can learn in a very relaxed manner on the train or bus.

JS: I think this might be very interesting not only for foreigners but also for Japanese.

Yamamoto: Yes, that is true. This content was originally made for Japanese and was later adapted for foreign employees of Japanese companies. We have received lots of requests about it from Japanese companies for training their new recruits.

JS: How many questions does this program have?

Iijima: KIBI consists of five steps from Grade 5 to Grade 1. Each grade has 20 questions and once you score more than 80 in the test you can step up to the next grade.

JS: In Grade 5, the easiest grade, what are the questions to which foreigners would most likely give the wrong answers?

Iijima: Questions concerning apologies are one of the categories with the lowest percentage of correct answers. The text describes a business situation in which our hero's supervisor apologizes in response to a client's complaint. Should he join in the apology as well? Our correct answer is that he should also apologize. However, depending on the foreign employee's own country, there may be different thoughts regarding the necessity for apologies. In some countries' business culture, it is thought that apologies could create further problems and people from such countries may feel the best response should be not to apologize but to be silent. This is one example that reveals a culture gap.

IMAGE

The image displays six screenshots from the KIBI e-learning system, organized into a 3x2 grid. Each screenshot represents a Grade 5 complaint scenario and the evaluation of a specific response.

- Top Left:** A complaint scenario where a customer is angry. Three response options are shown: A (We apologize for any inconvenience caused), B (I think the reason why...), and C (I don't want to say "We apologize..."). A small character says, "Oh... Senno-san, one of your customers seems to be very angry because of Hanley-san's mistake."
- Top Right:** Evaluation for choosing response B: "Almost". A "CHECK POINT" box titled "Senno-san's feelings" lists: "Don't make excuses, please apologize." and "You are insincere...". A character says, "Sincerity is very important between you and your customers."
- Middle Left:** Evaluation for choosing response A: "Well Done". A "CHECK POINT" box titled "Senno-san's feelings" lists: "Oh well..." and "From now on, we will get along together." A character says, "At first, you had better apologize for your mistake."
- Middle Right:** Evaluation for choosing response C: "Try Again". A "CHECK POINT" box titled "Senno-san's feelings" lists: "Unbelievable!" and "We can't keep a good relationship anymore!". A character says, "In some cases, please don't be too particular about your style."
- Bottom Left:** (This block is part of the middle-left evaluation, showing the "CHECK POINT" and character dialogue).
- Bottom Right:** (This block is part of the middle-right evaluation, showing the "CHECK POINT" and character dialogue).

E-learning system KIBI

Special Interview

Yamamoto: Yes. There may be culture gaps over the understanding of apologies. Japanese tend to think apologies are an expression of a virtue. We tell our foreign students that apologies in our culture are not aimed at making oneself too humble but are an attempt to make others feel comfortable.

Social Reception of KIBI

JS: You won the 7th Special Prize of the Chiyoda Ward Office in Tokyo for your contribution to business in 2014. What is this prize and has your work changed since winning it?

Yamamoto: This prize is given to an SME or venture that has made a good contribution to the Chiyoda area of Tokyo. Our company won for contributing to job creation for women designers. After winning this notable award, our social standing and trust increased significantly and we have now been successful in getting requests and contacts from a number of educational organizations as well as public corporations.

JS: You started your business to contribute to society. There are many such social entrepreneurs in the United States and Europe, but how about in Japan?

Yamamoto: Up until my generation, we thought that job creation would be the largest contribution to society and to achieve it we thought we should employ as many people as possible by earning as much money as possible. However, I think that the youth of today in Japan would put higher priority on contributing to society by other means such as providing an education program for the children with poor health, or a caregiving facility for aged people living alone. To tell the truth, when we founded our company we also thought this business would be a means of self-fulfillment, which is in our own interest. However, Japanese today in their twenties, younger than ourselves, are much more interested in altruism-based activities and social entrepreneurship.

JS: Why do you think such young people are increasing in Japan?

Iijima: In talking with people of my generation, I feel the environment has become more favorable for entrepreneurs, as SNS and crowd funding which can facilitate new business are expanding. In my personal experience too, I was well supported by many people when I started this new business. So if young Japanese today are ready to start a venture, they can be more easily helped by supporters and the community of ventures would expand more smoothly.

Yamamoto: I feel the younger generation today have a caring spirit and a desire to help each other, and this spirit seems very suitable for social entrepreneurship.

JS: It would also fit with our age of zero growth in Japan.

Yamamoto: Exactly. They want to help their neighbors and be friendly with them.

Responses of Foreigners to KIBI

JS: How have your foreign clients responded to KIBI?



Yamamoto: According to a survey result conducted by the Japan Association for Promotion of Internationalization in the *Nikkei Journal* dated Jan. 23, 2016, when foreign students were asked if they would like to live in Japan, 80-90% of them said yes; but when they were asked if they would like to work for a Japanese company, only 20-30% of them said yes. There is a 60% gap in the answers to these two questions. However, after having had many people use KIBI and also having presented it to numerous foreign students in Japan in collaboration with Japanese universities, we feel there would now be an increase in the number of people interested in working for a Japanese company.

In order to make sure of it, we found only e-learning was not good enough and found that a two-day role-playing session developed in collaboration with universities after e-learning worked well in increasing the positive views on working for a Japanese company.

JS: As the 2020 Tokyo Olympics and Paralympics approaches there may be more foreigners interested in working in Japan. Japanese companies are also pursuing diversity in their employees to create a competitive edge, so your business could have good potential for expansion. What are your plans for future business development?

Yamamoto: We would like to provide a matching service called “KIBI MATCHING” for companies and foreign students, first of all. We are planning to launch it in February 2017. In the next stage of our business strategy, in addition to the e-learning system, we are planning to organize a meeting for matching companies and foreign students looking for a job, and taking care of young foreign employees who have got a job by this matching process in settling into the company by providing consultation services for them after they are employed.

We are also beginning to see new business potential for increasing the abilities of young Japanese to adapt well to the working environment in a Japanese company. This ability is different from the basic capacity to grow by oneself. We need both the capacity for self-help and the ability to acknowledge what others are thinking about, so as to make both the company and the individual resilient and tough. We plan to expand these ideas through our KIBI test and training service. **JS**

Written with the cooperation of Naoko Sakai who is a freelance writer.