

ted to his task. He must gather information about his current speciality, create consensus among those who report to him, and organize and manage new programs and new changes in his department. He must be willing to spend as many as 20 hours a day not only at the office but socially with his fellow workers at bars and nightclubs. Most important, he must be able and willing to maintain the pace without expectation of overtime pay or other immediate, tangible benefits. This is the testing ground for the company's future managing directors.

The last five chapters of Hasegawa's book are less focused on Japanese management style.

In "The Japanese Market," he upholds the validity of the Ministry of International Trade and Industry's guidance and power. He states correctly that the Japanese market is not an easy one for outsiders to crack because they must reckon with very tough Japanese competition. He also states, probably incorrectly, that "there is little chance that South Korean firms can penetrate the auto industry because the quality of their product is not up to standard."

In "The Japanese Trading Company," the author offers us the historical rationale for the trading company, its role in gathering information, especially overseas, and in financing for low margins. He states that the philosophy of the trading company is to abide by the spirit of the contract rather than just sticking to the letter

of the contract. Force majeure is never a part of a Japanese contract.

"Japanese Technological Innovation" describes how Japanese steel companies and aluminum companies survived through change and innovation, in contrast with their American counterparts. He makes similar comparisons in the semiconductor industry. He compares Japanese and American research. Much of the Japanese research product is written in Japanese and therefore is not widely available to the world.

Under "Financing the Japanese Corporation," the author traces the historical evolution of how corporations raise funds in Japan. He criticizes American banks operating in Japan. He writes, "Foreign banks seem to act like reigning royalty ready to extend largesse when they choose to do so but not ready to be counted on in a crunch." Such a broad condemnation is hardly accurate.

In the final chapter, "Japanese-Style Management as a World Model," the author states that whereas the U.S. is a fertile ground for Japanese management, Europe, with its social welfare benefits, is not. Some Japanese companies would challenge that. He concludes with six points of advice to American managers which, though well-intentioned, seem patronizing and simplistic. In a separate paragraph, he sums it up better—"think quality; be competitive; treasure your employees." That is good advice.

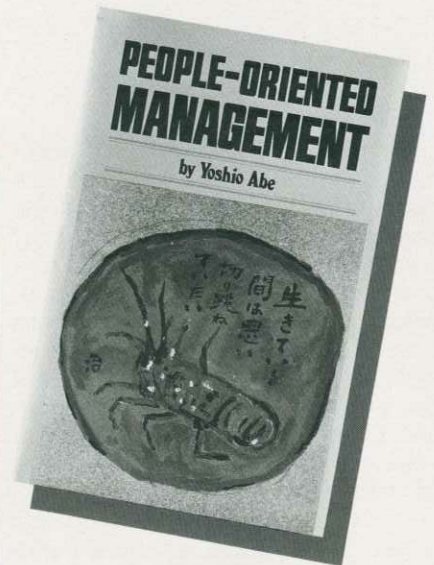
Don Knode
Systems International Inc.

People-Oriented Management

By Yoshio Abe
Published by Diamond Inc.
1987, Tokyo
121 pages; ¥2,800

It sometimes appears that there are as many books on Japanese management theories and practices as there are excuses for the U.S. trade deficit with Japan.

The trouble is that most of these "management" books shed little light on the subject and gather dust on bookstore



shelves, making it relatively easy to ignore new ones that appear. Ignoring Yoshio Abe's new book, *People-Oriented Management*, would be a mistake, since Abe, president of Orient Finance Co. (and former executive vice president of Dai-Ichi Kangyo Bank), provides an intriguing look into the changes occurring in Japanese management thinking—especially in the rapidly changing financial sector.

Actually, Abe has devoted very little of this book to the subject of its title. Instead he is actually providing the reader with a business leader's views of what the future holds, or can be made to hold, for Japan and Japanese society and his outlook on a topic of great concern in Japan these days and one he considers vital to Japan's future—education.

What makes all this especially relevant is the fact that Abe is a member in good standing of Japan's "establishment"—one of Japan's elite. He is a graduate of Tokyo University who enjoyed a highly successful career with Japan's largest bank, and is now president of the country's leading finance firm. He has served as the chairman of the General Committee of the Federation of Bankers Associations of Japan, and also served as a specialist member of former Prime Minister Nakasone's Second Provisional Commission for Administrative Reform.

So even though he devotes little of the book to what he calls "people-oriented management," what he has to say is worth listening to.

"It is top management that makes the difference," by turning individual energies



into group energies and then directing that group energy toward a single purpose, says Abe.

"Everything depends on decision-making speed," Abe stresses. "If top management vacillates, ordinary employees will be unable to move."

That probably sounds quite different from the traditional "bottom-up" method of management that the Japanese have told their Western counterparts is the secret of their success. In fact, it sounds downright Western. And that's not the only surprise in store for Abe's readers. He

also claims that any firm where the average age of its employees is over 30 is in danger of stagnating (shades of Jerry Rubin), and that bringing in outside managers is a great way to rejuvenate a firm.

Abe also discourses on the what he perceives as the flaws in the Japanese educational system, the need for continuing education, and the major influences (including three years as a prisoner of war in Russia) and people in his life.

Robert McIlroy, assistant professor of social sciences at Tokyo University, has done an excellent translation resulting in

an intelligent yet easy-to-read book. My only quibble is the occasional cliché such as "the scales fell from my eyes," that jar the flow of the manuscript.

While one cannot claim that Abe's book is in the "must read" category, he has written an informative little book which is quite worthwhile.

Joseph A. Grimes, Jr.
Vice President, Honeywell, Inc.
President, the American Chamber of
Commerce in Japan

Table Talk

The Taj

The 4th U.S.-Japan Council meeting, jointly sponsored by the Aspen Institute for Humanistic Studies and the Japan Economic Foundation, was held last fall at Manor House in Wye Plantation on the outskirts of Washington D.C. As in past years, the discussions were very fruitful. Between sessions, some of us visited St. Michaels, a port town overlooking the Chesapeake Bay, where at the Crab Claw we each enjoyed two blue crabs steamed with spice for only about \$4 a head. Not only the Japanese but the Americans as well kept exclaiming "Wonderful!" time and again. You have to visit this locale to enjoy such superbly delicious blue crab.

On my way home, I stopped off in New York with great expectations of a delicious steak at Peter Lugers Williamsburg. Regrettably, however, that famous steak restaurant was closed for renovations, but my sadness was assuaged by a 1,000-gram T-bone steak (\$35) which I ate at Morton's in Chicago. Personally, I think American steaks with their firm texture are far better than their soft-textured Japanese counterparts (Japanese steaks are no match pricewise, either).

Yet Tokyo does offer culinary pleasures to the traveler back from foreign shores, one of which is the Taj, an Indian restaurant only two minutes' walk from the Akasaka-mitsuke subway station. Through the front window, passersby can watch one of the Indian cooks making *tandoori* or baking *naan*. Stepping inside, one is greeted by Indian folk music. The decor is simple, the atmosphere comfortable and pleasant.

I was surprised to find the menu at this prestigious Indian restaurant packed with centuries-old Indian dishes originating in Central Asia, where history began. No less than nine different varieties of *naan* are available, while most of the curry dishes are native to different regions of India, using mutton, spinach or chicken. The genuine taste of Indian curry at the Taj is a far cry from the Japanese-style curry so popular in the home and at specialty curry shops in Tokyo. The dessert at the end of the dinner is the Taj's

pièce d'occasion, *Rasmalai*, a luscious cottage cheese stewed in specially flavored milk that perfectly sets off the rest of the meal. The à la carte menu includes Chicken curry with rice (¥1,800), *Baigan bharta* (baked and mashed eggplants sautéed with onions and fresh spices; ¥1,400), *Tandoori murgh* (broilers marinated in yoghurt and spices and barbecued in the *tandoor*; ¥3,000 for full and ¥1,600 for half), and *Rasmalai* (¥600). There are also two set courses of ¥4,000 and ¥6,000.

(Yoshimichi Hori, editor-in-chief)

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