

Managing Across Borders: Culture and Communication Issues for British and Japanese Businesses

edited by David Warwick
The Daiwa Anglo-Japanese Foundation, London, UK, 122 pages.

The Daiwa Anglo-Japanese Foundation was set up in 1988 to enhance the mutual understanding of the people of Japan and the UK. Its program has centered on activities at the Daiwa Foundation House in London (purchased by the Foundation in 1994) and on the award of various scholarships and grants.

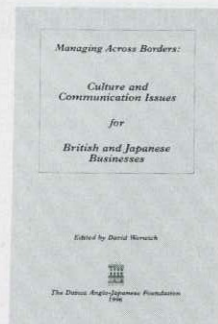
The publication of this book marks an important development for the work of the Foundation, because a much wider circle can benefit, for example, from the talks delivered at the seminar series with the same title as the book.

Professor Warwick has expertly edited the spoken text and the discussions which followed to provide a book that is highly readable, while preserving the tone of the spoken word as well as the varying character of the contributions to the seminar series. Contributions which will be of interest to specialists include "Considerations for the Investor" by Sir Paul Girolami (former chairman, Glaxo Holdings); "The Social and Cultural Implications of Japanese Investment in Britain" by Marie Conte-Helm (reader in Japanese Studies, University of Nottingham); "Oxford Instruments: The Experiences of a Midsize Company in Japan" by Peter Williams (chairman of said company); and comparisons of Japanese and British management styles by John Howland-Jackson (deputy chief executive, National Westminster Markets), Uno Setsuo (director, the Bank of Tokyo-Mitsubishi), Christopher Purvis (managing director, SBC Warburg) and Bonnie Williams (founder-partner, Waterbridge International Ltd). There are also contributions on "Kaizen: Japan's Most Precious Export" by Peter Willats (co-founder, the Kaizen

Institute, London); "Policy Development—Key to Empowerment" by Paul Davies (product and project director, Rover Cars); and Nick Khosla and Joe Locke's "Partnership with Japan on Major Projects Worldwide."

The most fascinating piece in the book, because it is based on current research and adds information not generally available, is Professor John Stopford's "Pressures for Transforming Corporate Japan." He documents a shift in attitude in major Japanese corporations as a result of the worldwide slowing of growth and the bursting of the Japanese economic bubble: "There is now a feeling that possibly Japan has not got all the answers; that maybe with the resurgence of some U.S. industries, we can learn from their approaches to management." There is also a feeling "that the current crisis is different from those preceding it." The first and second oil crises and the Plaza Agreement in 1985 were all single-issue crises of foreign origin, but now the issues are multiple, many of them originating in Japan. "Responding to . . . 'simultaneous discontinuities' . . . is that much more difficult." Stopford looks at the changes in the 'iron triangle' between politics, economics and regulation, and at the way in which pressures for efficiency are combining with pressures for transformation and globalization. He maps different companies to a matrix (of becoming more domestic or more international on the one hand, and reasserting the present position as against radical process transformation on the other). He concludes that Japanese companies are building new strength and that their continuing surge on world markets has not been blunted; he fully expects to see many major Japanese companies "returning to the fray with renewed vigour and with new resources once the domestic challenges have been resolved."

Professor Chris Voss, also of London Business School, reported on research he is conducting in "The Transfer and Transferability of Japanese Manufacturing Practices to the West." He concludes that a relatively small number of organizations in Europe, only about 2%, have reached



what he would call "best Japanese practice," that parentage and supply chain drive good practice, but that customer influence is by far the most effective way of getting change. The best companies have a high level of understanding as well as a greater capacity to learn, and this reinforces their lead. Voss divides companies into two broad categories—those that are surviving but may be complacent, and those that are "trying to adopt everything but failing to get results." The latter need to understand the totality of what they are doing, and to align their activities so that they move toward a coherent way of doing business.

Dr. Nigel Holden of Manchester School of Management, in "Japanese-Led Companies: How to Make Them Your Customers," reflects on the phrase "the customer is God," on the role of ritual in relationships (specifically commercial relationships), and on the five key values for Japanese companies (sincerity, quality, striving, style and preparation). He then offers practical tips for businessmen interested in doing business with Japanese companies regarding preparation, information, personal appearance, manner of speech, interpersonal sensitivity and product quality. He offers two models for consideration, one in relation to strategic management of the relationship, and the other which integrates all aspects of the relationship between the subcontract and export sides of a business.

Finally, he gives his three Ks for survival in Japan, which I at least found amusingly apt: "Keep thanking—you can never thank the Japanese people sufficiently for what they have done and what they are going to do; Keep apologizing—if you do, this can have a beneficial effect on relationships; and Keep your mouth shut if in doubt as to what to say!"

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