

# Sending Specialists Overseas

By Hideo Iida

It is a long time since the call for solutions to the widening economic gap between rich nations in the Northern Hemisphere and debt-ridden poor nations in the Southern Hemisphere was first made.

Forty years ago Japan was impoverished due to the effects of World War II. But the country has risen from the ashes of war to become an immense economic power. Japan can rightfully take pride in its postwar recovery. It must be remembered, however, that it owes its present prosperity to economic cooperation extended by the United States and other advanced countries and to the favorable international economic environment, including low oil prices and major markets open for Japanese products. Japan, poor in natural resources, has had, and will have, no viable alternative but to rely on trade for its survival.

The need for Japan to promote international economic cooperation has never been greater. As all nations become increasingly interdependent economically, Japan cannot maintain its prosperity without it too promoting closer relations with other nations. Such interdependence is bound to increase in tandem with the growth of Japan's economic power.

There are various means and forms of promoting economic cooperation, such as technical cooperation as opposed to financial cooperation, and of private-based cooperation as opposed to government-based cooperation. This article discusses the technical cooperation extended by the Japan Overseas Development Corporation (JODC) on a private basis.

This involves sending Japanese experts overseas at the request of foreign enterprises. Generally, it is quite difficult to find specialists who meet the desired technical requirements. The success of technical assistance depends largely on whether such experts can be recruited.

The importance of recruiting qualified specialists is not confined to technical cooperation. This is also crucially impor-



An engineering class receives instruction from a Japanese expert.

tant to economic cooperation in general, since only qualified projects, planning and persons can meet the needs of countries concerned.

## Personal qualities

Generally speaking, the JODC is making good progress in the projects in which it is involved, mainly because most of the host companies have preliminary knowledge of the personnel to be dispatched. In some cases the foreign organizations ask for specialists by name because they already know about the technical qualifications, personal characteristics and language proficiency of such specialists through previous contacts with them. Requests for personnel are also made on the basis of information obtained from local business clients and colleagues. In all these cases, the skills of the specialists

meet the needs of the foreign organization because they are plainly stated. This "selection by designation" procedure also has a material advantage in that it saves a great deal of time.

When no one is designated, candidates are selected first, then consultations are held between the JODC and the foreign organization. Specialists are then formally chosen. In some cases, however, the specialists selected turn out to be unsuitable for the technical fields to which they are assigned. This occurs for a number of reasons.

First, there is a lack of communication between foreign organizations concerned and the specialists to be dispatched, mainly because negotiations between the two parties are held only through documents. It often happens that some key information is not mentioned in letters of request, the information on the candi-

dates is inadequate, and the requesting party often lacks a clear picture of what kind of specialists are needed.

In some cases, specialists lack the language proficiency necessary to perform their duties properly, although they are technically qualified. In theory, the language problem can be resolved when qualified interpreters are available. In reality, however, it is extremely difficult to find interpreters with adequate technical knowledge. Generally, Japanese are poor at speaking foreign languages. The language barrier can be overcome more or less in countries where English is spoken, but in cases where a foreign language other than English is used, not many specialists can manage. In fact, the number of specialists who have both the necessary technical skills and the ability to speak a non-English foreign language is extremely limited.

It often happens, moreover, that some specialists need more time than others to adapt themselves to the culture of a foreign country. The so-called "culture shock" is greater for some specialists than for others because they are less able to adjust to the people they teach or to the environment they work in. This situation can be avoided, or the culture shock lessened, however, if adequate information

is made available to specialists prior to the final selection.

The JODC has been providing specialists to overseas organizations for 10 years. During this time approximately 1,000 specialists have been sent to about 30 different countries, particularly in Southeast Asia. In recent years foreign requests for technical guidance have increased, although this scheme imposes a considerable financial burden on the host organizations.

They must pay 25% toward the cost of providing the specialists. This cost-sharing has increased in real terms because of the sharp appreciation of the yen's value. This is evident when the yen-based unit cost of labor is compared with the local unit cost of labor. Despite this cost increase, technical guidance still pays off in financial terms. Host enterprises only receive specialists when they have determined that they can afford this extra financial burden. Thus, they make detailed cost calculations on the pluses and minuses of receiving such experts.

The JODC requests a report, in the form of a question and answer sheet, from the host enterprise about the performance of the specialist or specialists assigned to that organization. Such an evaluation report is submitted at the end

of the specialist's stay. One question asked of the host company is whether the cost-sharing is fair. Some organizations feel that the share is too large, but most feel it is fair.

This in part reflects the fact that the host organizations pay a quarter of the total cost involved. Another factor underlining this view is the favorable performance rating given to the specialists by their hosts. Replies to other questions indicated clearly that their performance is generally high. The high rating was also evident in the fact that many of the host enterprises wanted to extend the length of the specialist's stay.

## Time question

It is not easy, however, to determine the appropriate length of job training, since various factors must be taken into account, like the sector and technical field in which the training is required, the scale of host companies and the technical level of local workers.

According to the operating guidelines adopted by the JODC, the initial period of the training is two years with a possible extension of one year. Three years is normally long enough to acquire necessary skills. But given the widespread practice of job-hopping among local workers, some host companies say that even basic skills can hardly be acquired by their employees in three years. Under these circumstances, the JODC sets the length of the specialists' service at three years in principle.

Again, in respect to cost-sharing, some host companies suggest that the 25% share is too large and should be reduced. Such an argument is convincing in some cases, and depending on the sector and size of host companies, the share ratio should vary. But cost-sharing by host companies is important. It commits them more firmly to the project. In fact, the cost-sharing arrangement has served as a driving force that has kept this program going for the past decade.

Free assistance should not be ruled out as a means of economic cooperation. Such free assistance is needed in many fields where profit motives are nonexis-



tent and cooperation is to be promoted from nonprofit motives.

Introduction of the principle of cost-sharing is highly useful in private-base technology transfer. This principle is as important as the self-help required of recipients of economic assistance.

Results of technical training are shown in improved productivity and quality. In the past, Japanese specialists were in high demand in other Asian countries initially because their expertise was needed to meet the demands of the domestic markets. Nowadays, most countries seeking Japanese technical assistance have their sights set on overseas markets.

Take woven fabrics as an example. At a certain textile factory in Thailand there were very few high quality, grade A products, though lower grade products sold well on the domestic market. As a result of technical guidance, however, the production of high quality goods increased sharply. This happened during a boom in textile exports. The company running that factory was well prepared to meet the export demand and transferred more than half its domestic sales to overseas markets. Not only has the quality of its products been improved, but productivity has also been markedly increased.

## Quality problem

On returning home, many specialists express their disappointment in the management of the host enterprises where they worked. The specialists' technical guidance is not effective in promoting overall corporate development. This is to be expected, since overall growth of an enterprise does not depend on technology alone. It is, therefore, difficult to improve quality and productivity only through access to technology.

Various factors other than technology must be considered in order to achieve overall development. These include, for example, factory organization, duties and responsibilities required of each post, a system of quality checks, methods of purchasing raw materials and parts, and prescribed methods of settling customer grievances. Effective solutions to problems cannot be obtained unless manage-



ment pays due attention to all these and other relevant matters.

Another major problem cited by returning specialists is the widespread practice of job-hopping among local employees, particularly middle-class technical workers. Many people after acquiring the necessary skills through intensive technical training quit their jobs suddenly for higher-paying jobs elsewhere. The job-hopping practice is partly a reflection of the supply and demand for labor in each host country. Labor mobility of the kind described above is taken for granted in the countries concerned. This contrasts with the Japanese system of life-long employment and seniority.

Japanese labor practices that emphasize permanent employment with one and the same company seem to be more advantageous, however, in the sense that technical skills can be effectively acquired and disseminated. A high job turnover among technical people does not serve long-term interests because it makes it difficult to establish a solid technological base for sustainable corporate development. It is, therefore, the responsibility of management to emphasize the importance of technology and provide technical employees with better condi-

tions of employment, including competitive salaries. In the long run, this is an effective way for companies to build a position of advantage.

One way proposed to cope with job-hopping is to prepare technical manuals containing detailed job descriptions. Usually, basic technical skills can be followed from written instructions. Such a procedure would solve the problem of losing certain elementary technical know-how when certain employees leave.

The documentation of technical skills poses a problem: manuals are not properly utilized or preserved according to their original purpose. Neither on-the-spot training without the use of manuals nor rigid compliance with them will do. It is essential that guidance is provided on the job with manuals available in case they are needed. In this way the correct sequence of work steps can be reproduced and explained. This dual approach to technical guidance—on-the-job guidance aided by manuals—is essential to the effective dissemination of technology. ■

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