

Illustration: Kato Susumu

Top company executives clad in dark suits line up on a rostrum. Showered by the glaring light, they stand up as one man, bow deeply and remain absolutely still. "Ceremonies" such as this in front of TV cameras have become stereotypical scenes after the eruption of scandals involving Japanese businesses and government offices.

But many reporters say Japanese companies' handling of scandals is not generally good, and in many cases, the damage has been further aggravated by news conferences.

Such actual examples are abundant recently. At a news conference about deaths by poisoning by carbon monoxide emitted from gas water heaters, the president of their manufacturer made far-fetched claims there was no problem with the products themselves, but a few days later, he apologized for the incident, saying, "I am sorry for the lack of awareness as a top executive." Consumers reacted angrily to the claims he made at the news conference, an attempt to escape responsibility without fully grasping the facts.

About the derailment of a West Japan Railway Co. train in April 2005, killing more than 100 passengers, the company at first said at



Post-Scandal News Conferences Prove Botchy

By Matsunaga Tsutomu

a news conference: "On the rail, there was a sign of fractured stones," indicating the possibility that stones were placed on the rail. But, actually, the driver was blamed for the accident, and the company was condemned for making a misleading statement.

There are historical examples of failure at news conferences by presidents of Japanese companies. Pressed by reporters, the president of a major dairy company that caused a mass food poisoning incident burst out, "I have had no sleep!" When the plant manager who was present at the news conference made a statement endorsing pollution at the plant, the president gasped in surprise and said, "Plant manager, is it true?" It invited derisive laughter. This scandal and the clumsy management handling of the matter caused heavy damage to the company.

Top officials of Japanese organizations appear not to be good at clearly admitting their responsibility. Tanaka Tatsumi, an expert in crisis management, points in his book to ambiguous apologies.

He says hackneyed phrases, such as "It is regrettable to have caused a great flutter" and "I will take moral responsibility," are apparent attempts to keep up appearances by evading problems. Even when finally retiring, top executives often say they are going to retire not to take responsibility but to finally settle problems, thus halving the effect of apology.

Several factors for not recognizing responsibility are thinkable.

There are family-run companies and those having an atmosphere like religious organizations regarding top executives as sacred.

They are trying to prevent "graven images" from being covered in dirt. At a railway company whose top executive and owner was arrested on suspicion of violating the Securities and Exchange Law, two employees used to stay overnight by turns at the grave of the previous top executive and continued a ceremony to ring a bell 10 times for 40 years, according to news reports.

There is also the possibility of an attempt not to damage the career of a top executive so that the executive can get a higher-ranked decoration after retirement. To avoid – in the Japanese cliché – "tarnishing one's twilight years," people around top executives may be trying to make up a cover story.

The posture "to conceal what can be concealed" has been strong, and the tendency to think the unveiling of scandals as "disasters" has also been strong. These may be affecting attitudes among surrounding people toward top executives.

However, the recent trend is "to make public" scandals. Training sessions for media response by public relations companies are explosively popular.

A public relations official at a big business whose scandal has been repeatedly reported recently said, "I thought it better to make the scandal more open, but corporate lawyers and the top management broke me down."

Will the disclosure of scandals and the clarification of responsibility become natural? That depends on the consciousness of top executives.

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