

Research on Japanese Enterprise Culture

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Abstract: Japanese enterprise culture, which originated from Chinese Confucianism, is the intrinsic motivation behind the growth in what is termed the Japanese “Economic Miracle”. Japanese enterprise culture which embodies the characteristics of home, team spirit and humanism, has its limitations in being representative of the successful East Asia enterprise culture. Within the construction of world culture, we should draw lessons from the successful experience of Japanese culture and absorb the essence of our traditional values to achieve unity of form and connotation expressed by the enterprise culture. Japan rebounded quickly after World War II, becoming the second economic power in the world, which had a significant relationship with the unique enterprise culture. It has realistic significance and important reference value if we learn the development process, analyze the connotation, compare the characteristics and dissect both the advantages and disadvantages typified by this Japanese enterprise culture.

Keywords: Enterprise Culture; Japanese Economy; Ethics

1. The retrospect of Japanese enterprise culture

Enterprise Culture is comprised of ethical standards, values, and codes of conduct that personnel pursue in a corporate environment which come into being by means of these enterprises’ encompassing certain social politics, culture, history and behaviors. All of them are related to the national culture. So when discussing the enterprises cultures, we can’t separate them from Japanese national culture. Understanding Japanese national culture is beneficial to us by determining their development processes and unearthing the deeper side of their cultural origins.

1.1 In essence, Japanese traditional culture was indirectly derived from Chinese Confucianism

Chinese culture plays an important role in the shape and development of Japanese culture, especially the Chinese Confucianism, which holds the position of a decisive role. From The third century B.C. Chinese culture was introduced into Japan’s society. With the development of Japan’s history, China’s traditional ideological, moral and ethical values have deeply infiltrated into Japan’s society. They are embedded into Japanese cultural essence and evolved into Japanese Mainstream culture and become a unique feature. Japanese culture was established by the imitation and absorption of Chinese culture until the end of The Japanese Shogunate. The Japanese nation absorbed many foreign cultural principles and traditions becoming adept at creatively using traditional culture but not allowing itself to be controlled by the culture. Chinese Confucianism was a foreign culture in early Japanese history, but now it has become an integral part of their traditional culture.

1.2 The modern Japan emphasize “Japanese Doctrine, Occident Technique”

In 1968, the Meiji Restoration took place in Japan, which represented the beginning of the Japanese modernization period. Starting with Meiji Restoration, Japan’s modernization target was to transform itself and to follow the Western European model. Yet it did not separate from the roots of the traditional Japanese culture but did Europeanize without assimilation. Japan’s modern history indicates that while paying attention to combining their own country’s values, they introduced and absorbed the European advanced technologies and methodologies and techniques to realize the “Japanese Doctrine, Occident Technique”.^[1] Japan then undertook and pursued an imperialist posture giving rise to a series of tragic wars and incurred major setbacks. After their defeat in World War II, Japan took an active part to expand globally. Thus, attention of the nation was enveloped by nationalism and militarism and the domestic social contradiction was covered by this situation.

1.3 Postwar Japanese economy soaring

Soon after the World War, Japan got recovered from the Disasters of War very soon. At that time, the capitalist enterprise in Japan began to develop to a higher level. In management, they started to introduce a large number of western scientific methodologies and combined those methods with the Japanese culture and education, to bring a more obvious cultural atmosphere to Japanese management. After World War II, Japan launched a series of reforms across a spectrum of political, economic, cultural, and ideological areas to rebuild the economy. In the process of postwar Japan’s rapid economic development, business management with Japanese characteristics gradually became more mature. Japanese enterprise not only introduced a number of advanced theories and

methods from Europe and America, but assimilated them with the Japanese national culture of determination and hard work, coupled with a strong desire to escape poverty and backwardness, which gave them the motivation to succeed. This kind of management is “enterprise culture”.

2. A Japanese corporate culture’s formative factors and conditions for development

The formation and the development of a country’s corporate culture requires certain conditions to exist. Though the innate conditions is prescriptive, the acquired conditions, environment and subjective efforts play an important role in it’s development.

2.1 The combination of Confucianism and the Japanese traditional culture is the basis of Japan’s corporate culture.

Japan has already transformed Chinese Confucianism into its inherent traditions by incorporating it into their heritage and historical culture values. The essence of Chinese Confucianism is a culture that advocates “humanity”, “amenity”, “wisdom”, “credict”, “loyalty”, “filial piety”, “harmony” and “love”. The Japanese people accepted and enveloped the Confucianism with Japanese Shinto beliefs to achieve the newly created national culture with Japanese characteristic values. The Japanese people today have transformed the traditional loyalty to the Emperor and the country into an expanded loyalty for the corporation embraced in their lives today. Each member regards the corporation as their own destination. A place of “harmony” with strong loyalties to the company and individuals. The majority of managers in Japan’s corporations believe in this loyalty and values. From this approach a sense of honesty is projected that leads to credibility and social responsibility. In respect to this historical background, they put forward the theory of keeping their focus on the seller, buyer and society overall to achieve great benefit shared by the country and society at the same time.

2.2 “Single nationality”, “homogeneous society” is the congenital conditions of Japanese enterprise cultural development.

A national and social characteristic is the foundation of the existing enterprise culture. More than 80% of the Japanese with medium consciousness, living in this homogeneous society, throughout their generations, inherit the Japanese traditional society called “group ambition” and the resulting customs and values [2] They embrace same language and words, and the thinking process with strong commonality; emphasize the combination of group and performance of dedicated socialist values, combined with the group gives the discipline and the realization of organizational goals. This provides a guarantee. Both consciousness and behavior of the civilians in Japan trend to the same level and this balance provides all people with a sense of equality, satisfaction positive work ethics. This is exactly how the Japanese enterprise developed and is differentiated from the congenital conditions of enterprise in Europe and America. Revolution after the war opened up the proper environment and conditions for the enterprise culture. Japanese enterprise culture fused with traditional Japanese nationalism, European and American modern psychology and methodology contribute to the national culture inheritance that carries forward in the proper environment and conditions. After the war, Japan’s first step was to implement farmland reform, dissolve plutocrats’ labor legislation and allow “democratic reform” for Japan. This objectively created the favorable social economic conditions for the development of enterprise culture. These reforms though not complete were based on the needs of the American military occupation authorities for the transfer. It helps to objectively promote the enterprise management system. Japanese traditional psychology forms the important factors of corporate culture A strong desire to be powerful: geographically small, lack of resources and frequent natural disasters, creates Japanese people’s sense of crisis and urgency. Japanese people strive to become powerful and successful. This kind of psychology has been deeply deposited in their sub consciousness from generation to generation, and becomes a kind of ethnic-specific psychology. Japanese companies, without exception, practice this kind of national psychology and always look for opportunities. They are also good at learning positive attributes from other countries, which makes Japan strong in their business approach. Pragmatic psychology: because of the traditional sense of survival crisis, Japanese people are particularly pragmatic. They don’t like speculative thinking, but tend to mute decision, phenomena, experiences and empirical ways of thinking. The Japanese today practice their enterprise management culture to great success. Their preference for pragmatic truth hard work, and learned enterprise wisdom cultivates their dreams for successful business

3. The characteristics of Japanese enterprise culture

“Harmony” is the core of Japanese enterprise culture, with team cooperation and innovation spirit. One individual’s survival and development is dependent on the group’s wisdom and strength otherwise it is not conducive to national survival and a developmental environment. Unity, cooperation and being willing to dedicate and sacrifice for the team, the nation and the country in spite of personal consequences, are the enterprise spirit which makes the national spirit so dominant. Their innovative spirit is also derived from national spirit. Based on the survival crisis consciousness, Japanese nationalism is good at absorbing the positive attributes of the other nations’ and they survive by innovation. The Japanese culture is a “Multicomponent Alloy Culture”

4. “Harmony” is the core of Japanese enterprise culture

“Harmony” is engrained within the Japanese national spirit. It actually is a byproduct of Chinese culture, by taking Confucianism it is the Chinese thought’s implantation and fusion that pays attention to Harmonious interpersonal relationship. Confucius mentioned the thought of “harmony” many times in the book named <The Analects of Confucius. Xue Er>, such as “the most valuable use of the rites is to achieve harmony”, and “being polite to others” and “Harmonization and Difference”. Chinese Confucianism is essentially a theory to educate people, emphasizing affirming the people’s value and dignity, emphasizing the respect for others, caring for others in any case. “Harmony” between people can bring the harmonious personal relationship and Arouse people’s subjective initiative. Japanese accept the idea of hierarchy, the thought of loyalty and filial piety and the patriarchal clan system from Confucianism and combine the Confucian thoughts and the Japanese national religious Shinto, transforming the “Benevolence”, “loyalty”, and “harmony” into “loyalty”, “harmony” and “honesty”, which have Japanese religious culture characteristics. In the meantime, Japanese

people have established “harmoniousness” as the core content in the development of enterprise culture.

Resource- Japan recognized only rising in great vigor can revitalize the economy and win national independence. In the drive for strong national survival consciousness and national prosperity, the Japanese nation put forward “Make the country rich and its military force efficient, develop civilization” slogan during the Meiji period, which has greatly promoted the development of modern industry of Japan. At the same time, the strong national survival consciousness and national prosperity formed the “harmony” of Japanese nationalism. The Japanese business community believes that the traditional culture which includes moral values and views of the order “provides ideological foundation of all activities” to business. “To Japanese. . . . the real form of ‘harmony’ group certainly will bring harmony and success”. They emphasize that in the enterprise, the employment relationship between owners and employees can’t be over emphasized, regarding the enterprise as an extension of the family, and emphasize that a kind of “family harmony” atmosphere formed within the enterprise, turning the employment relationship into a family relationship. “Harmony” is the core of the Japanese enterprise culture, standing for the spiritual force of unity and mutual struggle.

3.2 The team spirit of Collectivism Standard is the soul of Japanese enterprise culture

In Japan, a group is a concept that has an extensive meaning. Japanese society is the one that thinks highly of group concepts and structure. An enterprise is also thought as a group. Within an enterprise, all kinds of departments, working teams and business units are different sizes of groups. These enterprises have a close relationship and are tied into the group as a whole. Finally, millions of enterprises consist as part of a group or are embodied within a head group of Japanese enterprise groups. The Taiwan writer Baiyang vividly described the character of Japanese nation as “the power of Japanese is just as a worm, but the power of a group of Japanese is as powerful as a dragon”. Therefore, the team spirit initiated by a collectivism standard is the soul of Japanese enterprise culture.

Although the Japanese corpus is a hierarchical structure, it is still known for practiced collectivism at the management level and decision-making process. In Japanese companies, the employees pay more attention to the link of connections of work, the enterprises pay attention to improve the efficiency of collective work and collective incentives and encourage employees to complete their work quota, at the same time, help colleagues actively to form a good atmosphere of mutual cooperation. The team spirit of Japanese companies is a Reaction not only in the external form, but also in the psychological perception. Team awareness of enterprise staff has Complete inner identity and behavioral consistency for employees to create a pleasant and warm environment,. Employees need to be harmonious, interactive, and have a collective identity. Decision-making approach of Japanese companies is a collective decision process, which draws on the wisdom of the masses, and ensures rational decision-making, by arousing the sense of participation of staff for successful completion.

3.3 “People-first” and “enterprises as home” combination

“People-first” is an enterprise spirit deriving from culture of “harmonious”. Japanese enterprise managers thinking, “harmonious” is not only the life philosophy and ethics but also the enterprise’s management philosophy. Japanese enterprise culture will emphasize a person is the most important resource, and can not exert maximum efficiency without high quality management, machine, equipment and various materials. Enterprise is not only a economic entity to pursue profit maximization as the goal, but also a spiritual home meeting demands from all the enterprise members. Enterprises not only create a comfortable working environment for staffs, but provide material life security for them and their families. They also respect employees’ spiritual needs, especially self-development and self-actualization for staffs, which can fully arouse the enthusiasm and creativity of the employees, making staffs work for collectively for the enterprise consciously and actively. SONY President Akio Morita said that the success of Japanese enterprise had no secret and formula that can not be told to others. Its people, instead of theory, plan and government policy, make the enterprise successful. “Regarding enterprise as home” this concept in fact is derived from Japanese spirit of loyalty. “Loyalty” and “sincerity” is the highest state of Japanese nationalism and values leading to the highest standard of personality of social measure; Enterprise is the epitome of house and staff, staff and enterprise share a blood relationship, loyal to the enterprise, embodied in the house rules are symbolic of the enterprise. Japanese enterprise’s salary system and motivation system mainly include the life-time employment system, senior system and qualification ranking system, through these systems to strengthen the concept of “home”, to integrate staff and enterprise, to form a strong identity and bonding of the staff to the enterprises, to dedicate oneself to the enterprise, and show gratitude to the (business owner). In the enterprise internal setting, between employees and managers there is a shared feeling of family and viewed as their “own enterprise”. In the enterprise external setting, employees maintain the interest and image of the enterprise in the outside environment and are proud of their service to the enterprise showing a high sense of pride. “^[3] Today, in Japan, whether a person is happy or not depends on whether he or she is employed by a big enterprise.” Once a person chooses one enterprise, his or her fate has deep connection with that enterprise because its success or failure is associated with that person’s ability and sense of community. Their success is dependent on the success of the enterprise. What’s more, the social position of the staff depends on the one of the enterprise. Therefore, the employees in one enterprise make every person have energy and power to work better and together, and every staff is willing to fight for the enterprise. The Staff considers enterprise as their family. Also, the enterprise extends a sense of belonging, friendship and stability considering them as members of family and offering them more materials and spiritual power.

3.4 The innovative realization of Japanese nationalism

Japan is a small island country, which is far from the mainland, and its arable land only occupies one tenth of its territory; it’s short of natural resources; it suffers a lot from natural disasters; its capacity of the domestic market is limited so foreign trade is important. Therefore, Japanese have the high sense of being in danger from outside influences. Japanese does especially well in learning and taking examples from the successful experiences of other countries. There ability to accept change and to reinvent the things they need to succeed has helped them to develop into a multicultural type of society while maintaining their strong sense of Japanese culture. After the Second World War, Japan was almost destroyed. However, in 1950s and 1960s, the enterprises in Japan incorporated a lot of foreign ideas and methodologies and rapidly assimilated these thoughts and ideas, remade and innovated them, to create their own

special products for international markets so that the economy of Japan developed quickly.

3.5 Emphasize the importance of enterprise culture management idea

Japanese enterprises always take new management ideas seriously and they pay back and give service to society by quality products and considerate service. They perform enterprise culture and management ideas with strong recognition and sensible application to improve themselves and the enterprise. Being different from pursuing maximum profits like Western enterprises, Japanese Enterprises Culture has dual trends: to pursue economic and social benefits. For example, PANASONIC clarifies its enterprise culture and value target like this: We “stress the economic benefit, stress the will to existence” and “Abide by the industry worker’s duty, encourage to progress and improve the social life and make progress in world civilization.” [4]

3.6 Emphasize the enterprises’ sense of social responsibility

The entrepreneurs in Japan blend religious thoughts into their manage thoughts. The thoughts of using their industries to the service of their country, being responsible for the society, get on well with others and treat everyone the same have something to do with loyalty (which refers to honesty and social responsibility). In most Japanese enterprises; never do they put the thought of earning money first. On the contrary, they emphasize their responsibilities which include the responsibilities to the society, the whole nation and even the whole world. For example, in Panasonic, they put the thought of using their industry to the service of the country first. In Toyota, the first rule is that they should be together, honestly work for their company and use their industry to the service of the country. In TDK, their spirit is that they make a contribution to the cultural industry. When Japanese entrepreneurs talk about the goals of the companies and the management thoughts, they deliver their management experience more than preach their religious convictions because in the conversation, their words are full of philosophy, such as the goal of one enterprise and how an enterprise survives. Take Toyota for example, they clearly put forward that they should worship Buddha Statues, be thankful all the time and live for being thankful. This kind of thankfulness and gratitude encourages the staff to make contributions to the enterprise. Not only production can satisfy people’s need of material things, but also it can meet the need of the staff’s pride and goodwill and sense of family.

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