Concept of Management and Evolution of Management Thought
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Lecture - 12
Japanese Management

Hello, today's lecture we will talk about Japanese management. So far we are talking about the evolution of management various function of management particularly planning, organizing, coordinating, communication, controlling, leadership and motivation having covered some of these aspects now in order to understand what this management all about, we need to look into the culture and also have a perspective on management by looking into the Japanese management and may be American management and finally, we need to have our own understanding and appreciation of how the management has evolved over a period of time and how it is very much influenced by some of the cultural practices of the society both the societal influence as well as the strong cultures do have an influence on management and let us try and explore with respect to the Japanese management today and in my next lecture, I will also compare Japanese management and the American management. The first questions always comes to look at the learning objectives and at the end of this session you must be able to appreciate the unique features of Japanese management practice.
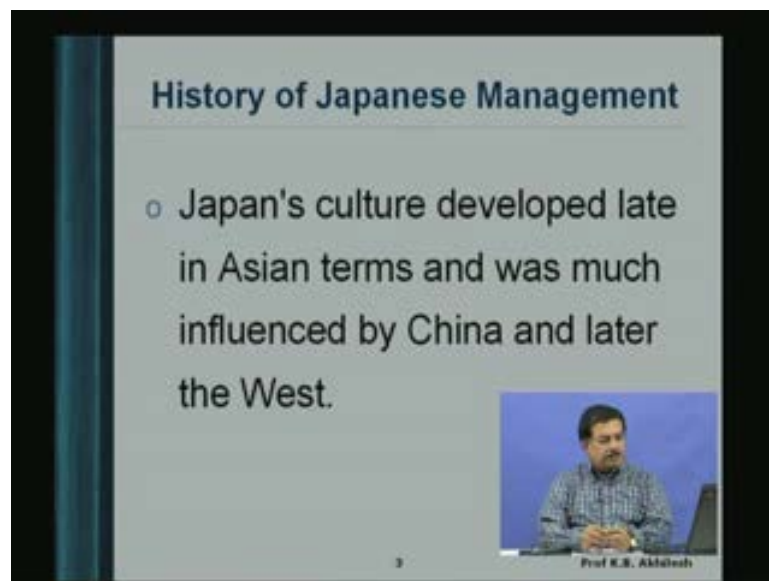
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So today's focus is to look at how this Japanese management has evolved, what is its relationship to its societal values and how it is so unique compared to all other management practices. If you look at the Japanese management, we have to have a quick and the brief of appreciation of the history itself but the focus is not on the history alone. The Japan's culture developed late in Asian terms and was much influenced by China and later the West.
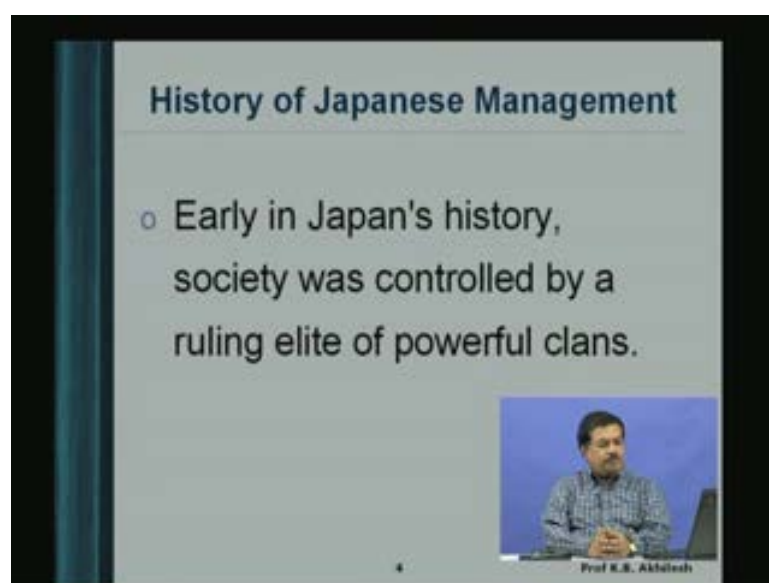
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So much more it was a closed society for several 100 years and the early in Japan's history society was controlled by a ruling elite of powerful clans as I said my focus is not to elaborate on this but you must read the history of Japan in order to appreciate some of its unique practices. Learning the language will be much more useful to understand the thought processes and the kind of practices, what they have put in many organizations and Japanese

organizations are well known for its performance particularly, with respect to quality and efficiency.

The most powerful emerged as a kingly line and later as the imperial family in Yamato modern Nara Prefecture or possibly in northern Kyushu in the third century AD, the in the late 16th century began a process of reunification followed by a period of great stability and peace and that is how different forms of art, different forms of creativity we can see but Japan is known for the way they rebuilt, it based on new and earnest desires for peaceful development becoming an economic superpower in the second half of the 20th century. I think of our focus will be to look at last at least 5 to 6 decades and see how the Japan has emerged as one of the global leaders.

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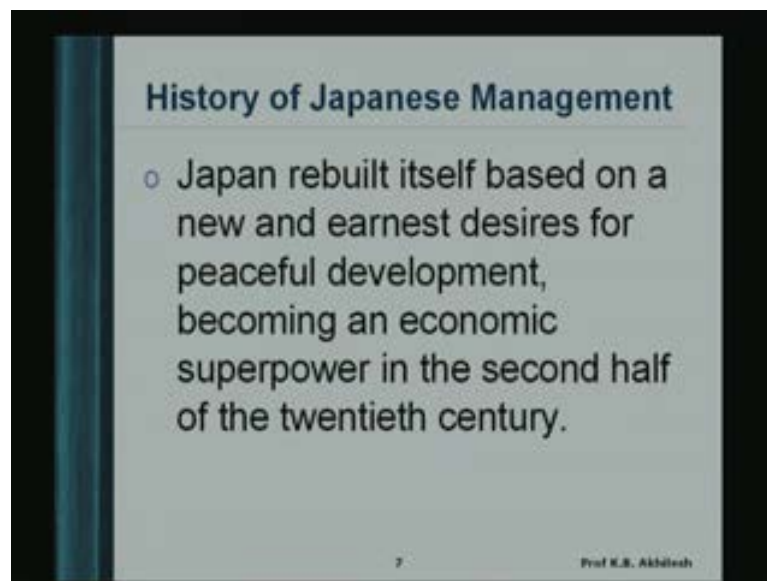
The culture of Japanese management is very famous in the West. So it is a must for every management student to understand and appreciate and when we talk about Japanese management we are talking about very successful organizations corporations in Japan like Toyota, Hitachi, Toshiba, Sony, yokohawa and many of these companies for so successful and they have emerged as global leaders.

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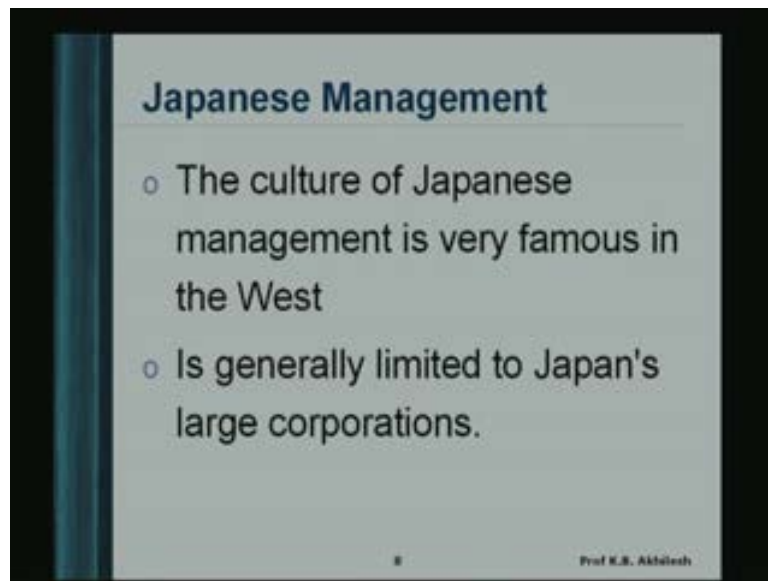
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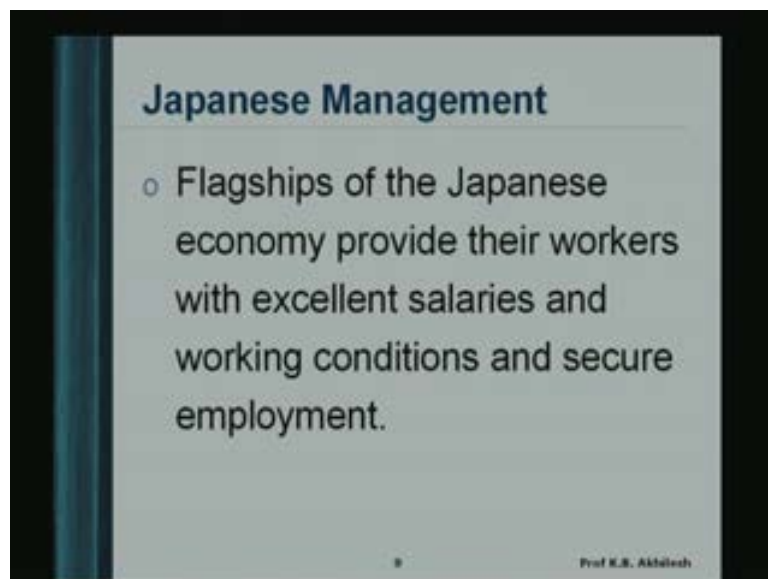
So the successful such practices we need to understand and capture in order to appreciate the management practices in Japan. So the flagships of the Japanese economy provide their workers with excellent salaries and working conditions and very secured employment. So the employment security and excellent reward systems with a great concern for their employees have all combined and have contributed to the success of the Japanese organizations. The key features of the Japanese management is the permanent employment, it is also called shushin

koyo hope I am pronouncing right but it is one of the prominent features of Japanese management and this permanent employment also it is called as the life term a lifelong employment is one of the key features of the Japanese management, permanent employment covers the minority of the work force that work for the major companies also you are you see they are all employed several other countries do practice this.

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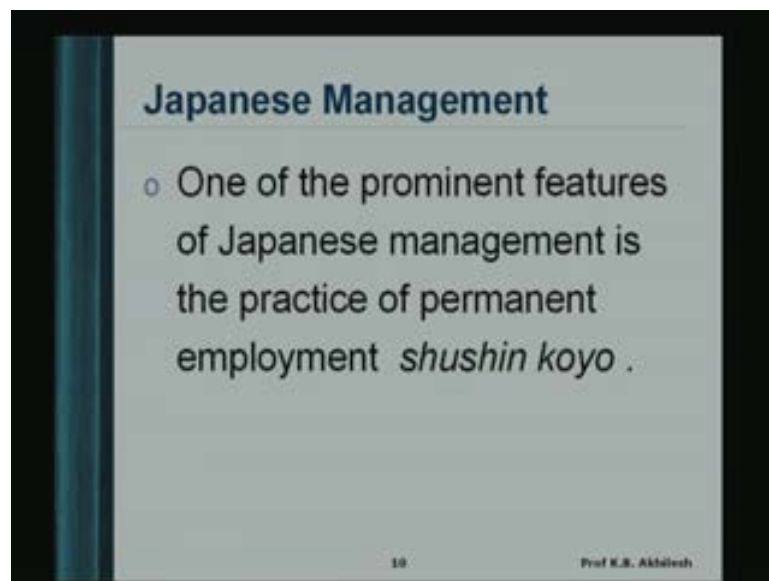
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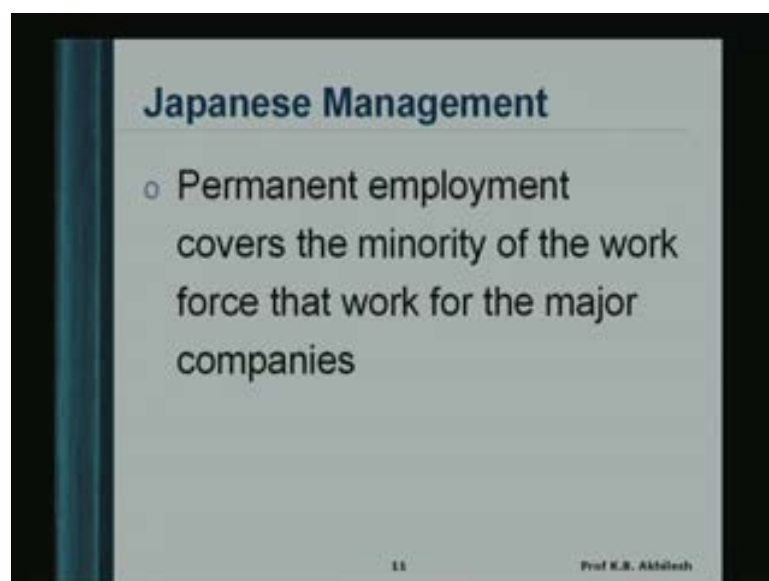
So the question is what is so unique or what is so great about can be seen in terms of the recruitment practices and also how do they grow the people over a period of time and then making sure that there is a long term development of the individuals along with the requirements of the organization.
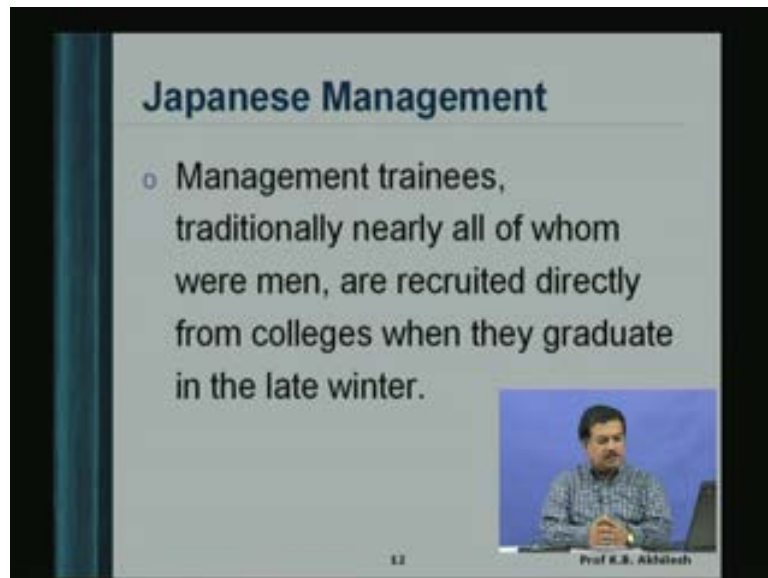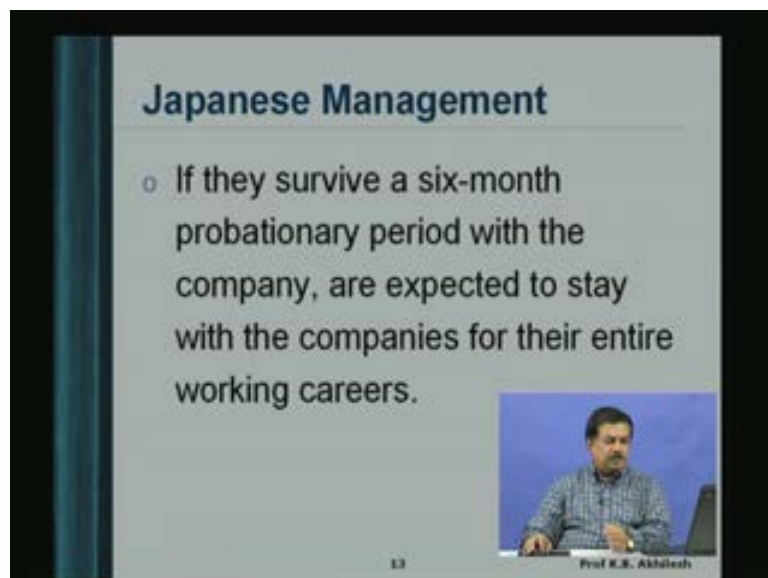
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So they take management trainees and traditionally nearly all of whom were men are recruited directly from colleges when they graduate in the late winter. So the unique practice is they pick up set of students as soon as they come out of the college and then organization makes a commitment invest their time and energy to make them as good leaders. So if they survive 6 month probationary period with the company they are expected to stay with the companies for their entire working careers.

So it is very interesting to note that they built a kind of a competition amongst their classmates they know each other they have worked with together in the college. So that is how when they come to the organization, they continue to interact we have seen part of the building work culture is early socialization process but here the organization has already ensured because a great degree of socialization because already these people have worked together, they know each other in the colleges but when they come to the organization, you do not have to rebuild the team. They, they know the strengths of each other and that is one of the advantages what Japanese organizations have exploited and when they come together.

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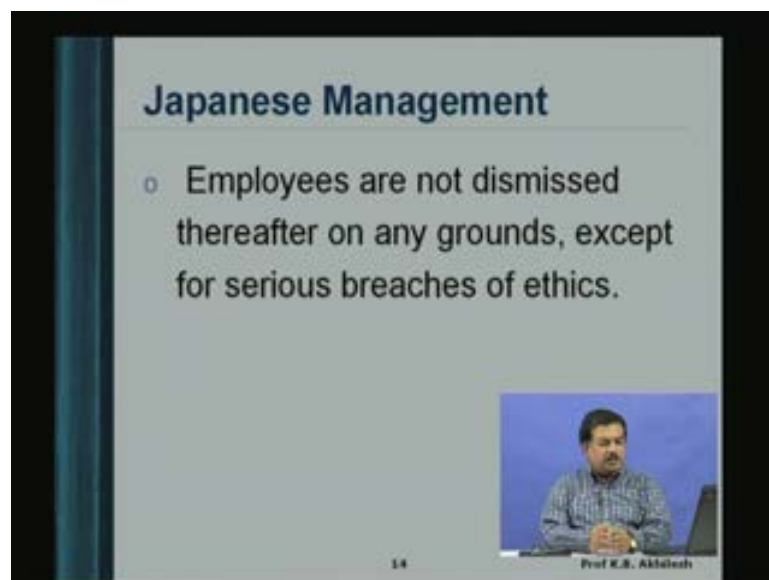
So the normally they are not sent out of the organization that means they are not dismissed thereafter on any grounds except for serious breaches of ethics. So unless there is a real problem with the employee they continue with the organization.

So they take set of classmates and then the classmates are carefully selected and they are inducted and they continue to work with the organization, the only exit point you see at the end of the probationary period. The permanent employees are hired as generalists not as specialists for specific positions. In other words, no employee is hired as that to fill any particular specialist position that is how you see in Japanese organizations there is not much of lateral entries at different levels, it is all the entry at the the lowest level and they grow with the organization and all of them do all the kinds of things. So that is how they are not specialists but they are generalists.

So they move from one department to the other they move from one group to the other, they also use a concept called a master the master is one who can do all the jobs of the organization and these masters are developed over a period of time. So it is kind of a long term game it is not a short term game and in the long term game the ability development is what is given the importance in a long term game the period could be about 20 years. So 18 to 20 years is what is considered as normal in a manufacturing company.

So that is when they take at the age of 21, they are expected to be masters knowing all the tasks of the organization by moving from one department to the other over a period of time that is when they are about 39 to 40 and that is how you see, so a new worker is not hired because of any special skill or experience rather they are hired for their intelligence,

educational background and personal attitudes and attributes are very closely examined. They are selected for their learnability if they have an attitude to learn, if they have an attitude for problem solving experimentation, if they are good in terms of working with others.

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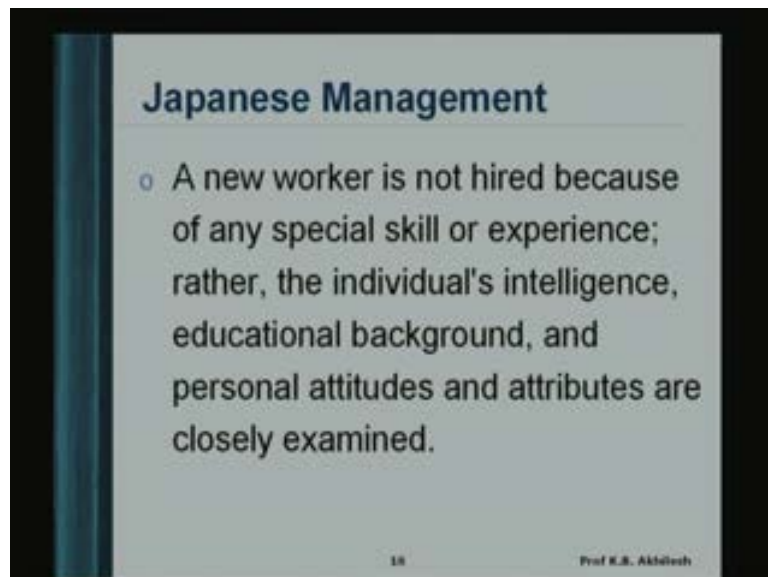
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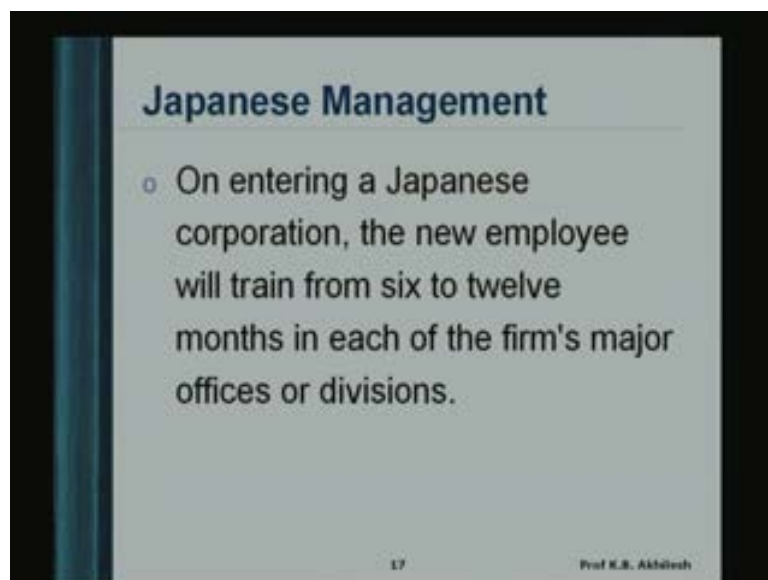
so they are hired for the close attitudes because technology is going to change, markets are going to change, the context of the job is going to change, the content of the job also will

change. So it is expected that the recruitee will have to work over a period of time and learn all the required capabilities. So that is how it is always considered as a kind of a free track and the emphasis is to build the required capabilities, required attitudes and the abilities. The on entering a Japanese corporation, you will see that new employee will train from 6 to 12 months in each of the firm's major offices or divisions or what is called as the job rotation, job rotation is the systematic movement of people from one task to the other.

So they move from one group of activities to the other in fact one of the Japanese CEO was making a statement in their organization, they do not want to anyone to work with the same boss for more than 3 years and similarly, no boss should work with the same subordinates for more than 3years, when I asked why do they do this kind of a practices they said they said or of that particular individual told me that the learning with the other persons stops after about 3 years time. So they concern for movement is learn of learning and giving that appropriate learning experience. So if you work with the same person for more than three years you are not going to learn anything more beyond those 3 years more or less the learning stops.

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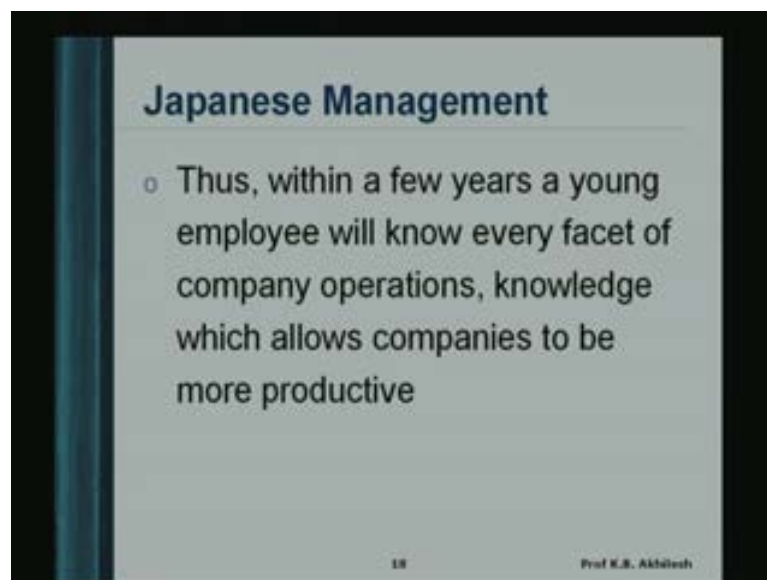
So that is the idea of this plan movement from one task to the other and that exposure is also important for doing any good business. Thus, within a few years a young employee will know every facet of company operations knowledge which allows companies to be more productive in our in other words the individual gets exposed to every aspect, every details of

the company and then he is able to work at any level with that kind of a comfort and that gives the concept of master.

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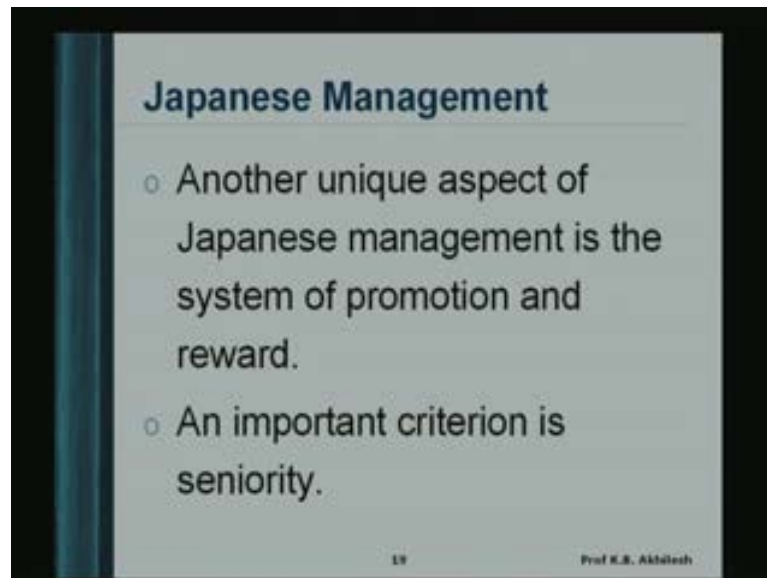
So the master can work at any levels in several of our organizations we have seen people when they are promoted, they do not want to do the lower task or they do not want to think about it or some many a time they are even not exposed to the lower level work but in Japanese organization, the master is one who can do all the tasks, all the levels with the same perfection. They have grown through the ranks and file and they reach the top levels but any time, they can work at any department. So it is the another important aspect of the Japanese management is the system of promotion and reward.

So when you look at the systems of promotion and reward as I said that at the end of the learning period they use a system called shuko in the system of shuko only 50 percent of the people will remain in the organization and other 50 people are sent out to the other organizations. Shuko is another practice which makes really the competition amongst the classmates, a unique one where they compete for a long term game and they also know at the end of the 18, 20 years period only some of them will remain in the organizations based on their ability, ability and the performance.

So the performance assessment is really done at the end of that 18 to 20 years period and another important criterion is the seniority. So the seniority is so clearly stated that it is always respected in the organization. So it is determined by the year an employee's class enters the company, so they belong to the that particular batch and that batch to which they belong is always takes a precedence for any consideration whether it is promotion or rewards or a placement things like that.

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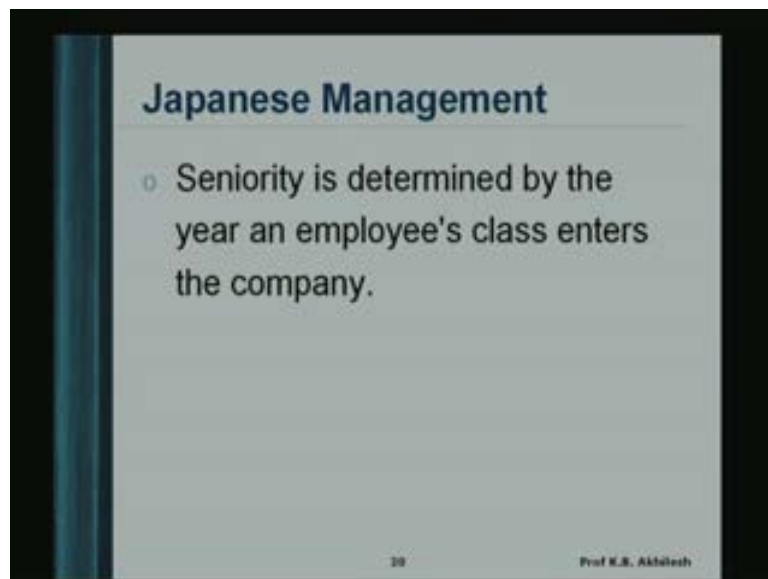
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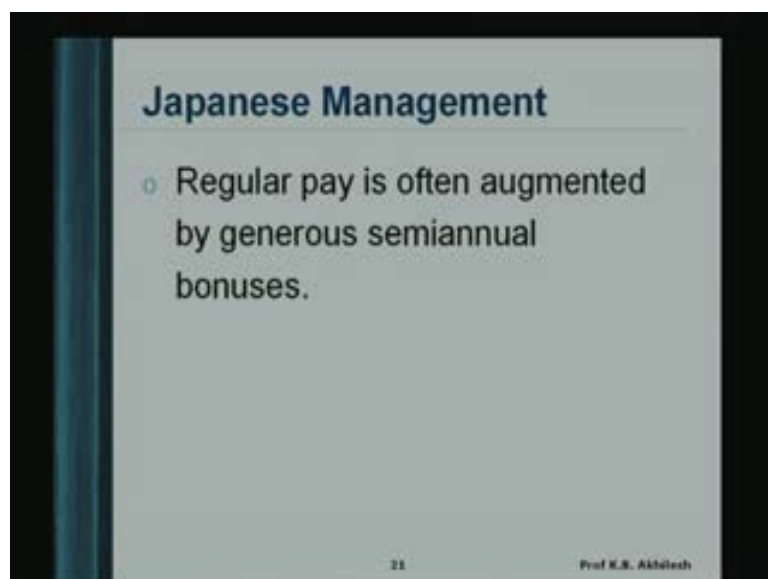
The regular pay is also augmented with with generous through the semiannual bonuses and also they have a practice called this spring, in the spring, they do get that kind of an annual bonuses which could be substantial it could be anywhere between 12 to 14 months kind of a salary but the practice and the details could vary from one organization to the others but certainly several of the organizations have developed a very clearly a need-based pay, they have also evolved what is known as ability based pay and… and the and need based pay all will merge over a period of time that curve and then onwards after experience of about 18 to 20 years their payment comes only based on their performance and contribution.

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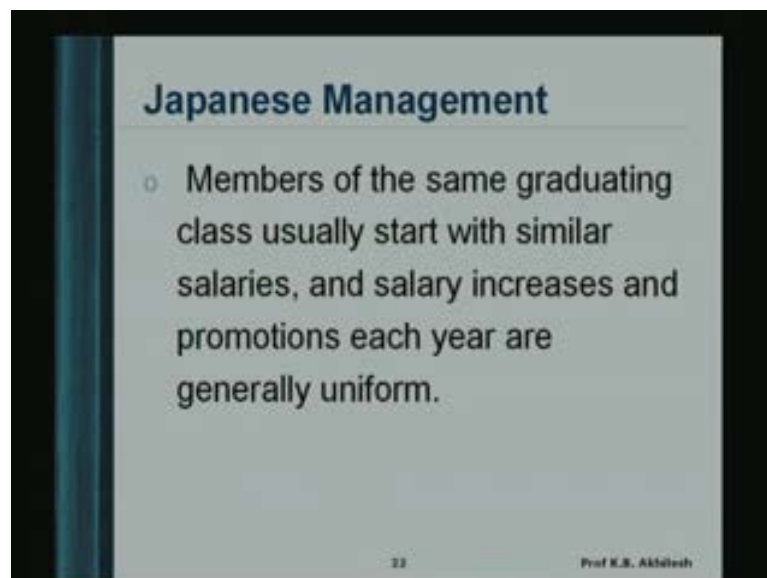
So the differential beyond that 18, 20 years will come because of the performance until that all other which calls need-based pay, seniority-based pay as well as the ability-based pay becomes very critical in Japanese organizations. So members of the same graduating class usually start with similar salaries and salary increases and promotions each year are generally uniform.

So they do not want to disturb the the the annual reviews are they know the kind of the work they are doing there is not much of a differentiation done unless it is the period is over that is about 18 to 20 years are over. So that is how they call this is a kind of long term game and the track is more or less built. So the individuals keep growing within the organization with respect to their salary and responsibility based on the number of years they spent.
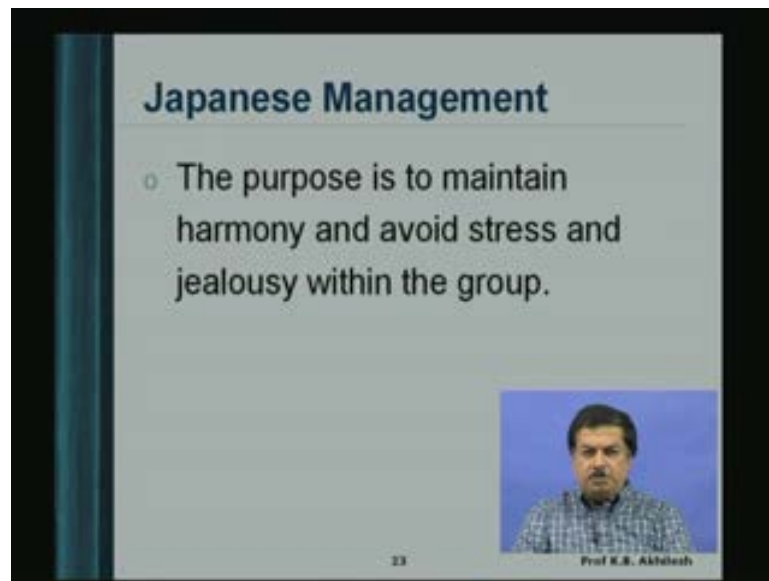
So there is not much of a gain when they move from one organization to the other that is how you see a midcareer switch is a kind of rare phenomena in several of the large Japanese organization because the similar experienced persons would be drawing extremely similar salary and there is no incentive for switching from one organization to the other. So the purpose is to maintain harmony and avoid stress and jealousy within the group.

So you will see that these promotions, an undue importance given to the individual contribution can come in the way of team work interpersonal relationships. So they would like to avoid some of those the the stress points which can come in anybody's or any individual's career. So the harmony is established the stress is removed and the jealousy is also prevented. So this system help in terms of providing that required long term stability, the career security.

So that they can focus on learning and acquiring more and more on the job. According to them their ability development model involves on the job training and 80 percent to 92 percent of the learning they attribute for on the job training or also called as the OJTs and the remaining 8 to 12 percent of learning would come from off the job training. So that is how the OJT is another unique practice, on the job training is another unique practice of the Japanese management.

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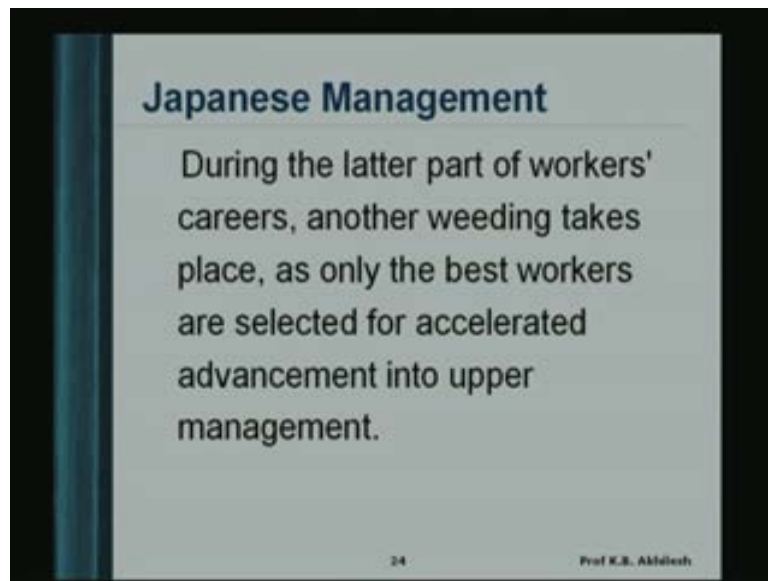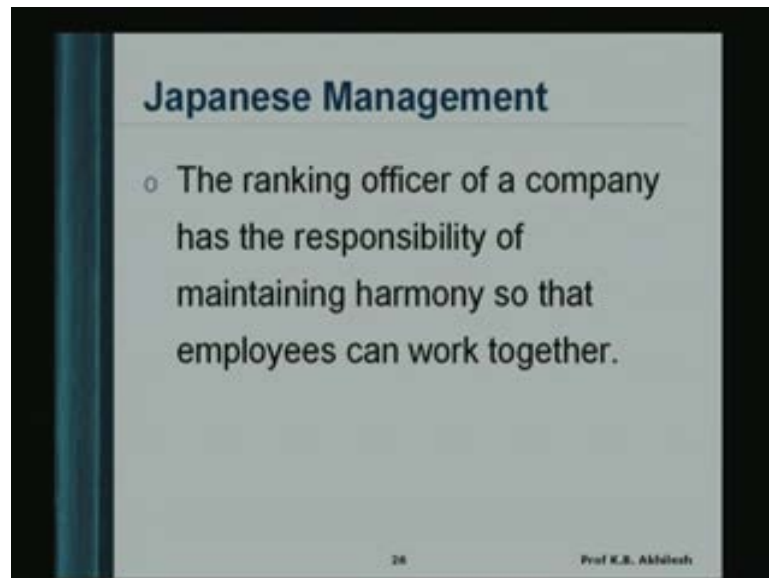
So the if you elaborate further during the latter part, latter part of workers careers another weeding takes place as only the best workers are selected for accelerated advancement into upper management I think that is the point called the shuko. So they only set up about 50 percent of the people are retained for for the movement to the upper level management and the others are literally sent out to their subsidies.

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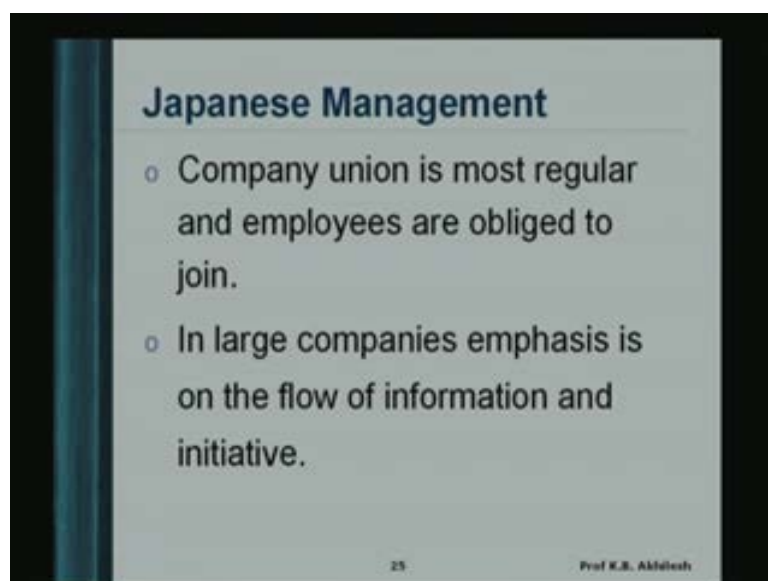
The another feature of the Japanese management is the company's union that is the is most regular and employees are obliged to join and the unionization is not seen as a kind of a threat to the organizational performance but they emphasize the organization has always in terms of the flow of information and initiative to be kept alive and kicking at all levels.

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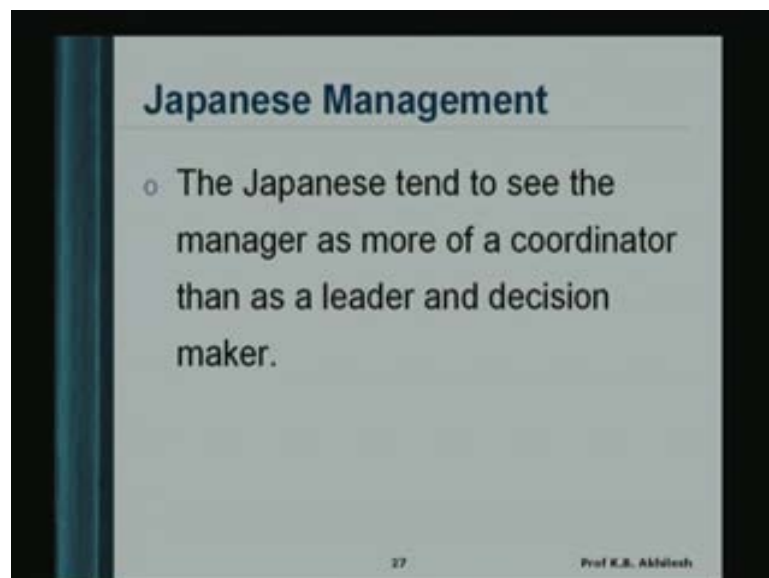
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So has the see particularly the senior officer of a company has the responsibility of maintaining harmony. So that employees can work together, so they do not see the organizational interest and the individual interest as conflicting harmonization is the responsibility of the immediate manager or the in charge officer.

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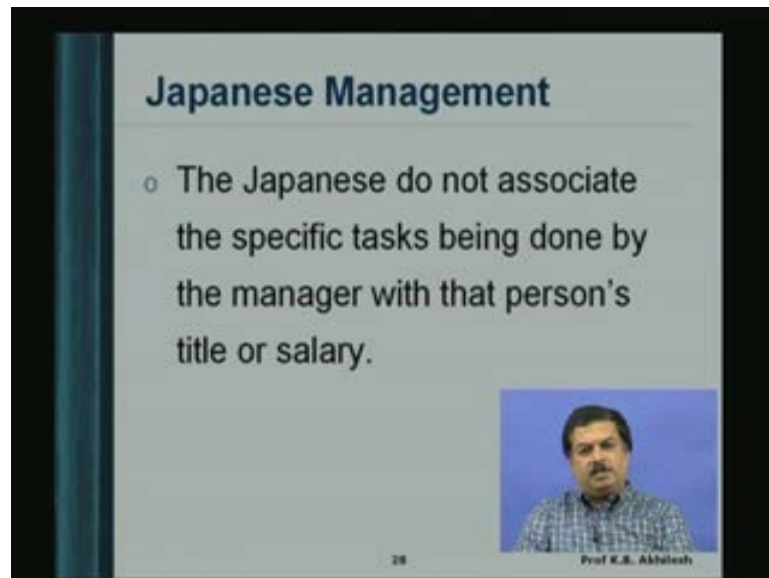
So the the basic view of the manager is a kind of a coordinator, so the Japanese tend to see the manager as more of a coordinator than as a leader or decision maker. We will elaborate on the style of decision making what they adapt and also the kind of leadership, what they exhibit at the at the workplace and similarly, the Japanese do not associate the specific tasks being done by the manager with that persons title or salary because the concept is that master.

So as they move up in the hierarchy they are capable of doing all the jobs below them, it is said that several of the senior people the masters carry several cards, they can exhibit all levels in the organizations mean what they can act as a work as a receptionist one day another day they can work as a driver and then another day could be working as an operator and may be another time, he can take the visitors and treat them as a kind of a general manger of the company. So it does not matter, so the question is that depending upon the requirements depending upon the situation the individual takes that required role.

So the role is much more important than the designation. The ability to do all the things is much more important than mere designated or the designation-based kind of a behavior, this gives a tremendous flexibility to the organization. So the organization becomes very flexible, they can deploy the human resource depending upon the pressures of the business and the capability is built and developed over a period of time.

So when we are talking about the greatest flexible organization in the world at the global level the Japanese organization becomes the the example not only that you look at what is that that job they cannot put through this kind of the job rotation according to them is only legal where the organization gets committed to other organization through some contract only that is considered as a kind of specialist role. Otherwise, all other jobs in the organizations is considered as generalist role I think that is the unique feature of the Japanese organization and they give that emphasis to build that long term capability. At this point, I would like to restate some of the point what I am discussing with you one life term employment according to many it is giving way to the other kinds of practices.

However, that has been consider as the unique feature, second looking people from the colleges and taking a set of classmates and giving them that kind of a career opportunity, reviewing at the initial level for their attitudes and their abilities to work together more emphasis given to the learnability and they are told to build that kind of a quality and become masters over a period of time a period of 18 years and once they are given that kind of an opportunity help them to certify the kind of abilities what they are requiring on the job and based on the OJT concept helping them to work with appropriate bosses and making them to acquire the skills as quickly as possible.

Giving an exit point at the end of 18 years, when they are around 39, 40 and retainings of the best of the people to move to the next level of the managerial hierarchy by doing all this creating that ability and the one side and the flexibility of responding to the market situations, technological situations on the other I think these are specific unique features of the Japanese management developed and perfected over a period of time.

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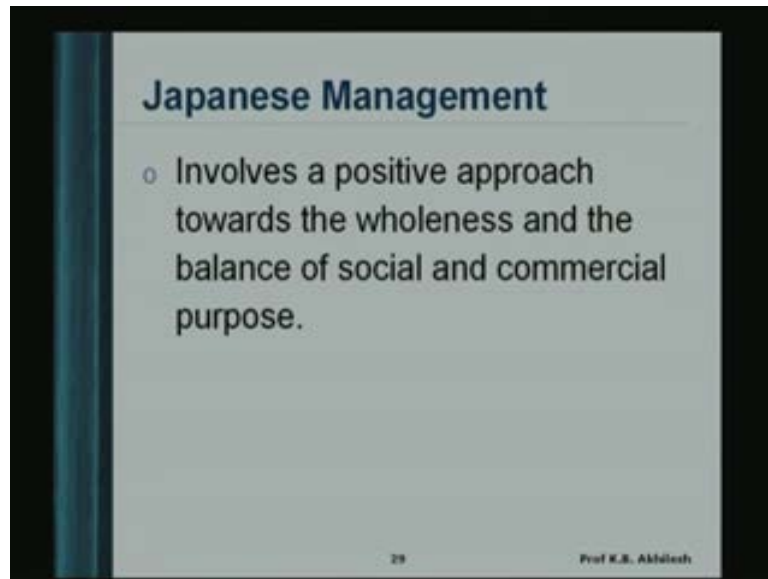
Let us also examine few more things the the Japanese management is this also involves a positive approach towards the wholeness and the balance of social and commercial purpose. So the balancing of the views of the of the concerns of the organization and the society, they are not seen as a kind of a conflict prone in nature but to respond to the customers, respond to the customers and meeting those expectations are seen as a unique thing we will elaborate on this.

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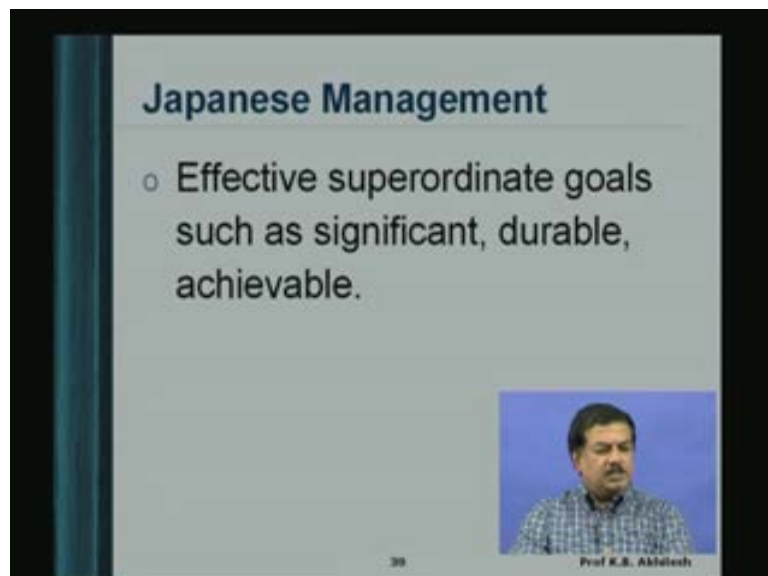
So it is the question is the effective superordinate goals such as what they are talking about significant durable and achievable the superordinate goals with respect to the technology, with respect to the customers, with respect to the employees. So the most companies tend to fall in one or more of the following categories, the company as an entity here the whole organization is reinforced as an entity one lives within.

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So organization itself is seen as a family, it is just an extension of their the inner circle what they have within the family system. So when they come come to the organization they still see it just an extension of their the the respective families, they use the concept of called the uchi and the soto and then uchi is a kind of a inner circle and the soto is called as an outer circle. So this uchi is a concept of where it binds them to together another is the company's external markets here the emphasis is on the value of the company's product, the value is quality, delivery, service and customer needs, all of these things are seen where you cannot make any compromise and then the companies internal operation. So the here it is focused on the efficiency, cost, productivity, inventiveness, problem solving and customer attention.

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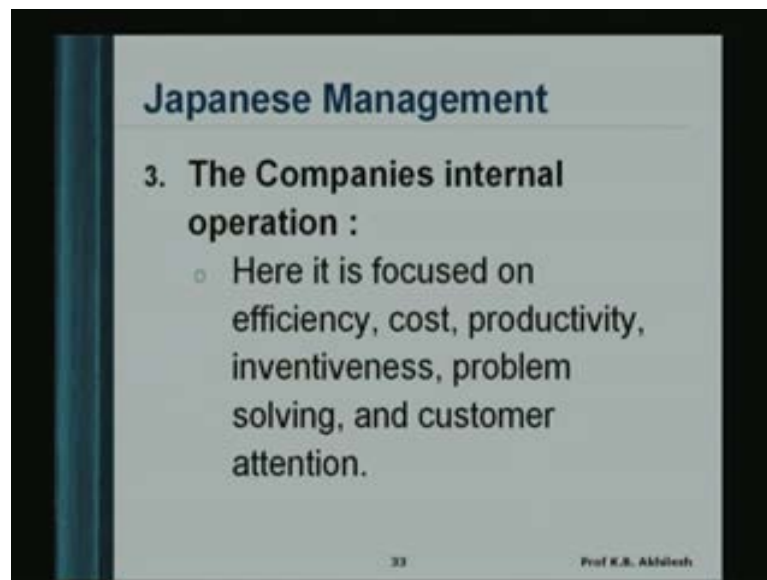
So every act every aspect what they handle within the organization has these overriding focus, you need to be extremely efficient ,it has to be perfect with respect to it is cost then it also prevent with highest level of productivity innovation and problem solving. So these are put into practice on a daily bases through many of the interventions, many of the manufacturing practices. Today it is the called the world class manufacturing, in the world class manufacturing the organizations sets these things as the key goal and creates various interventions.

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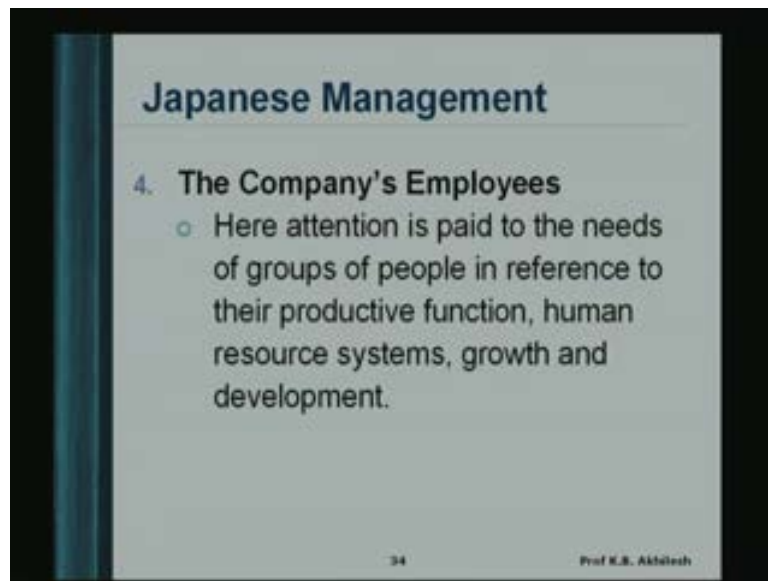
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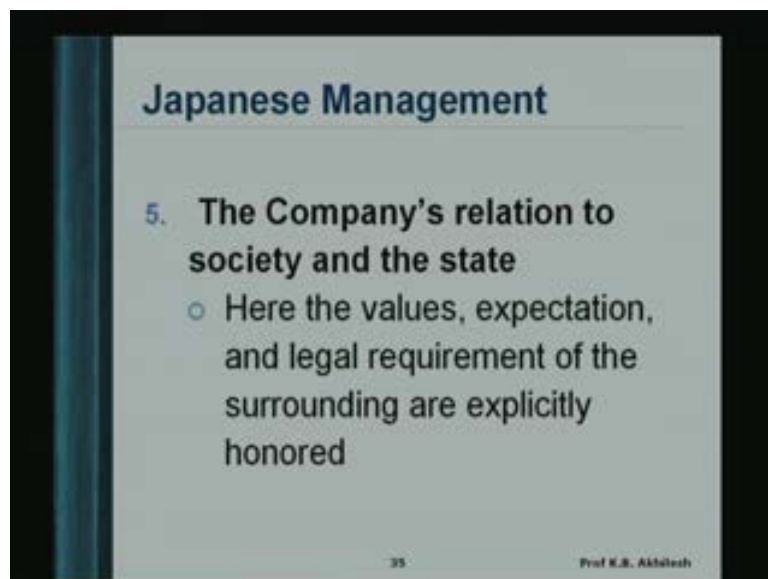
We will talk about some of the things when we compare the Japanese management and other management practices and similarly the company's employees, the attention here is paid to the needs of groups of people in reference to their productive function, human resource systems, growth and development, all of these things need to be harmonized with respect to the customers, with respect to all other internal dimension of the organization. So the focus is on bringing that harmony, harmonious relationship, one is working for the other, company is

totally committed to the employees, expectations and the needs and the companies relation to society and the state, here the values expectations and legal requirement of the company surrounding are explicitly honored.

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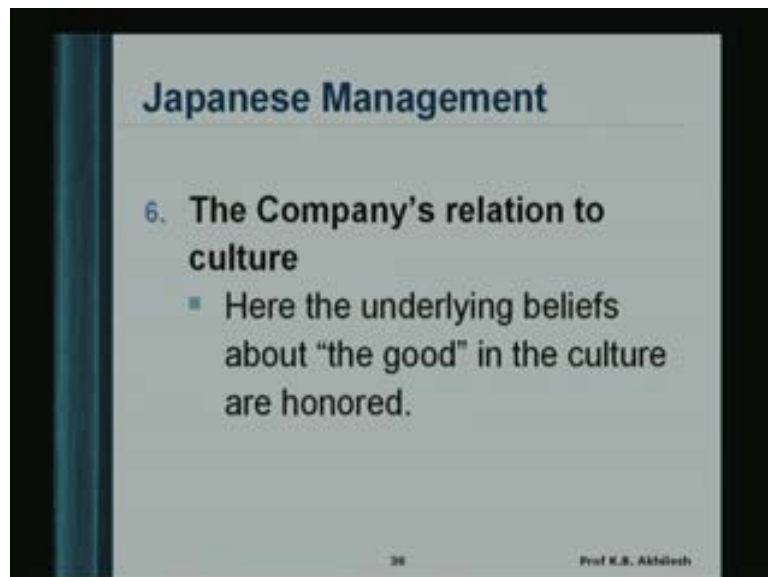
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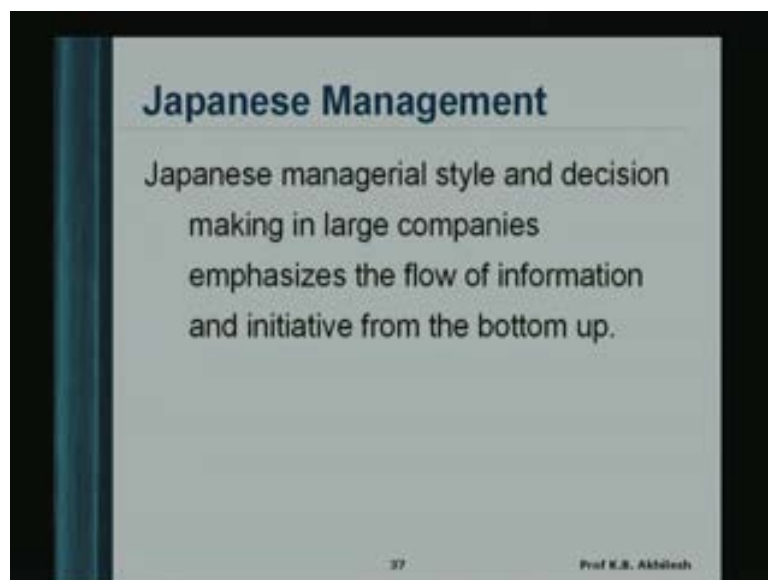
So that organizations are expected to obey and then develop appropriate methods and procedures to respond to the requirements of the government as well as the society.

The company's relation to the culture here the underlying beliefs about the good in the culture are honored. So all the societal values need to be preserved and the organization responds to the preservation of the culture of the society with great respect. The Japanese managerial style and decision making in large companies emphasizes the flow of information and initiative from the bottom up approach, I think this is another key features of the management of the Japanese corporation. We will try and elaborate on some of these things.

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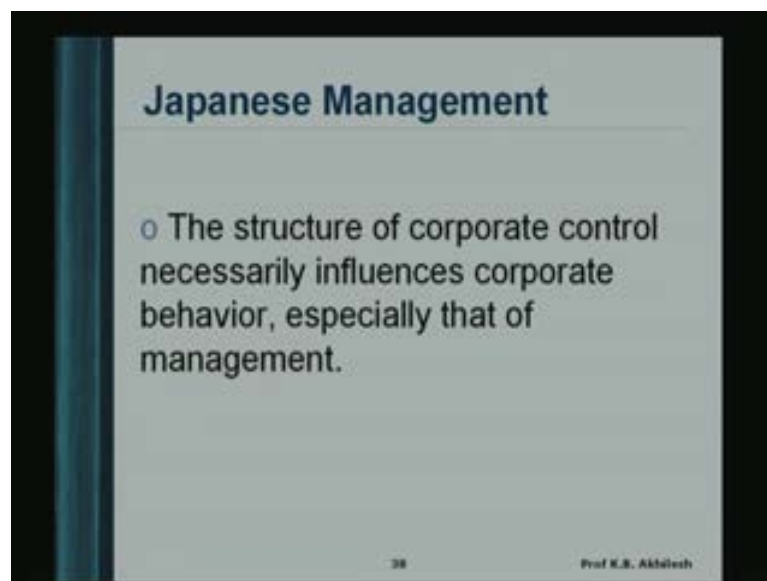
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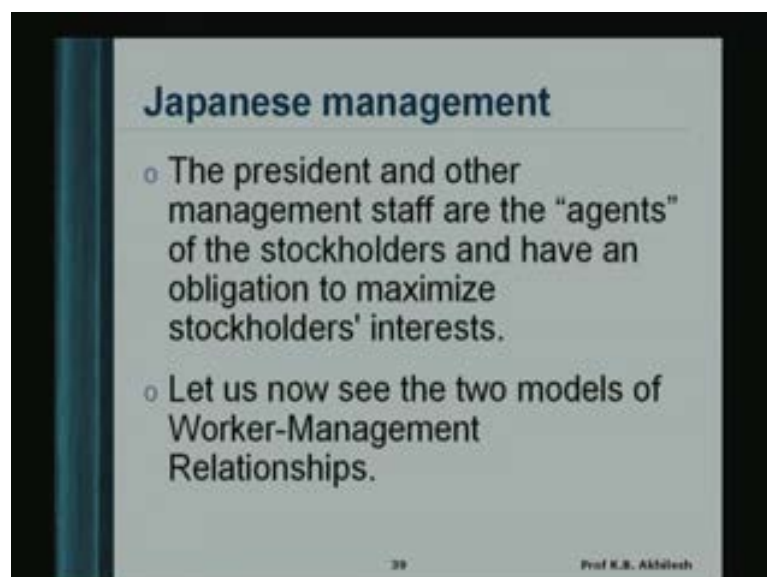
The structure of the corporate control necessarily influences corporate behavior particularly, especially that of the management but however, you see in the Japanese organization a kind of an upside down picture, the president and other management staff are the agents of the stockholders and have an obligation to maximize the stockholders interest. So let us now see the two models of worker management relationships.

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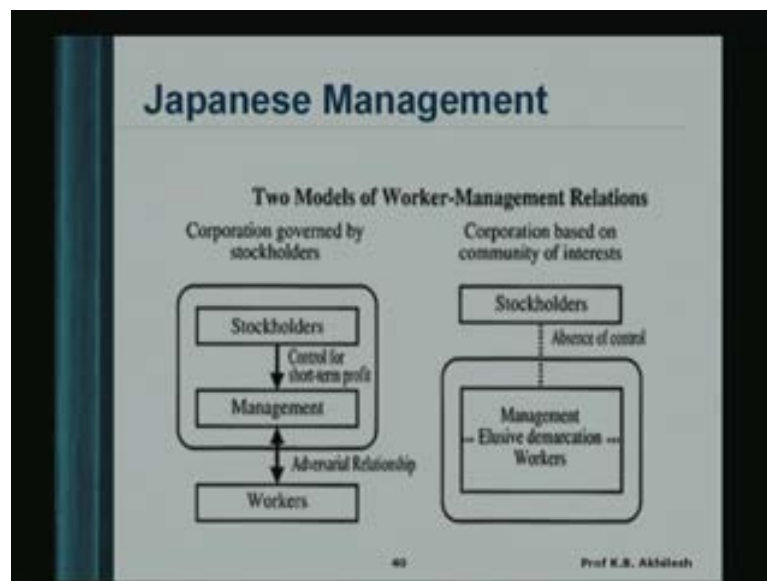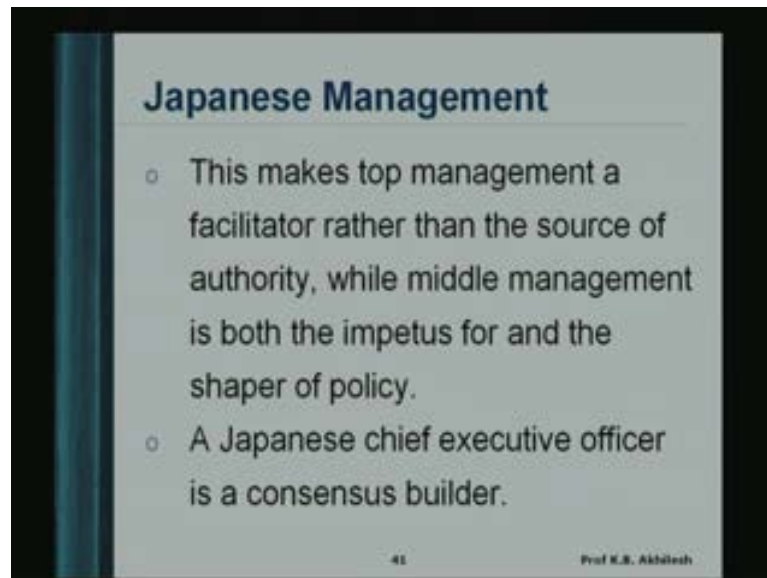
So when what happen in this is that two models of worker management relationship if you see the corporation governed by the stockholders, corporation based on the community of interest. So there is if you look at the control is very strong, it gets controlled through the management and then the adversarial relationship, a conflict prone relationship happens with respect to the workers but when corporation represents the interest of the community then what happens is the management and workers, there is less very very less kind of demarcation. In most of the Japanese companies when people have grown out of the ranks and they have reached they very clearly know the kind of problems and which can come at the lower level and that is they will and that is where they have a great advantage while negotiating while discussing about what needs to be done.

So they have a great concern they also have a great understanding of the problems of the workers and they do not mind people joining the unions because they were all at one point or the other members of the trade unions. It is in a way advantageous for all people because the

relationship is not adversarial but it is from the day one, it is prone with or it is predisposed with trust and harmony.

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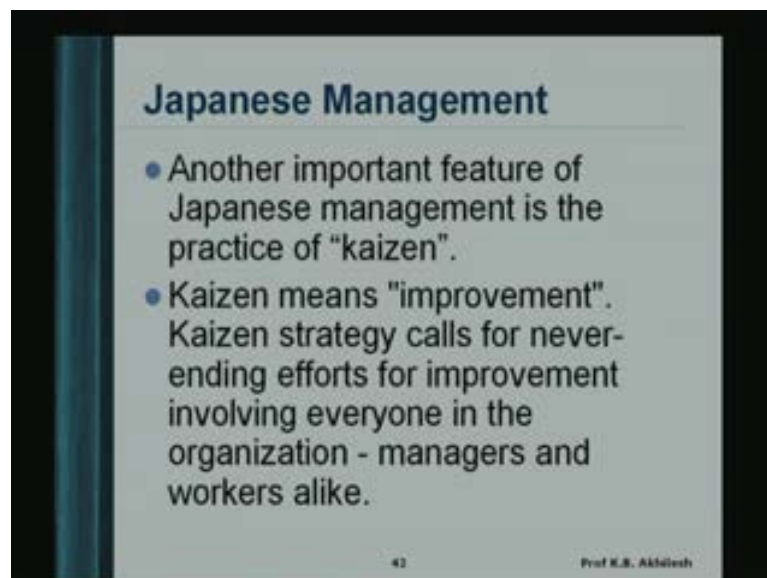
So the Japanese management if you see further makes up top management as a facilitator rather than the source of authority. So the middle management is both the impetus for and the shaper of policy, they become role models, they are the masters they know that task, they can

hand hold and they can guide, they can correct. So the Japanese chief executive officer is always seen as a kind of a consensus builder this consensus when we mentions that becomes an another unique feature of the decision making system in the Japanese practices. Another important feature of Japanese management is the practice of kaizen, we will elaborate on this Kaizen but for the similar understanding is the continuous improvement.

So, it is basically the improvement philosophy the strategy calls for never ending efforts for improvement involving everyone in the organization, managers and workers alike all can contribute to the ideas and then keep improving on whatever the things they are doing. So according to the many of the Japanese, it is only the things whatever we do could be 93 percent perfect and always there is a scope for improvement.

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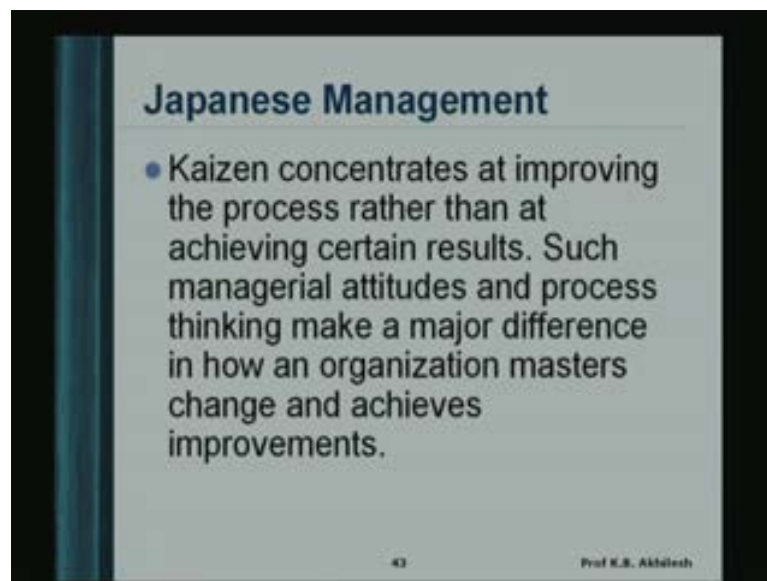
So this attitude makes people in the subfloor to come together not to ignore any problem but to work on and see what more things can be done or what different things can be done. So surfacing the problem escalating the problem to get appropriate solutions becomes the habit and the culture. So the Japanese culture supports that that do not ignore the problem but come together and you can seek solutions and group works together and comes up with what needs to be done. So the Kaizen concentrates at improving the process rather than at achieving certain results.

Yes, results are always there but you can always bring about process changes towards cost efficiency, better utilization of the machines. So such managerial attitudes and process thinking make a major difference in how an organization masters change and achieves improvements. So in the subfloor they have worked on the many of these set of principles based on their kaizen. So the continuous improvement experiences helps them to prescribe what is desirable something like the if, if somebody can do the work in a sitting position do not stand or you know if the material can move the people need not move. So the many of these principles have evolved over a period of time and perfected based on the proven kaizen, what they have implemented in the subfloor.

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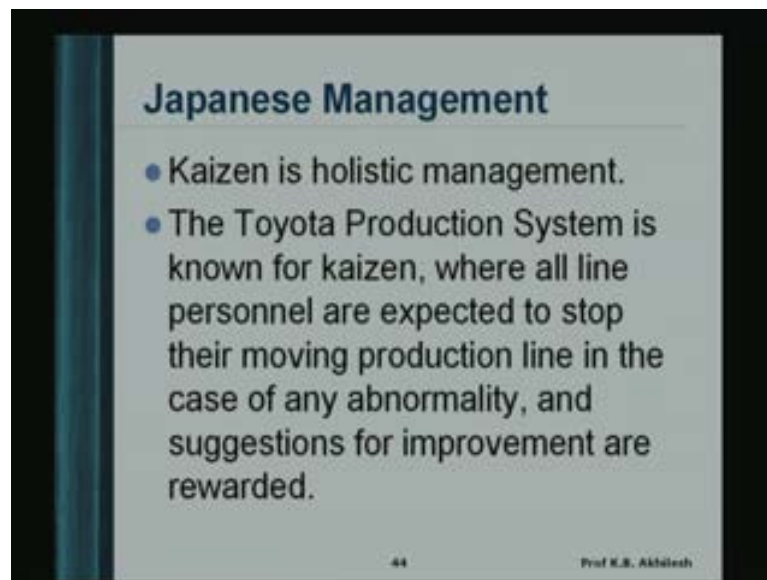
So the kaizen is a holistic management, it is beyond the suggestion scheme what the western management have practiced over the years, the Toyota production system is known for kaizen where all the line personnel are expected to stop their moving production line in the case of any abnormality and suggestions for improvements are rewarded. They stop, they stop the work at the subfloor, they are expected to solve coming together and it is always desirable that if you are thinking that there is an improvement possible or you are facing some problem you can escalate it and they have to just pull a car which will be running in most of the assembly shops and then the supervisor would run to that person if not the all of all of them come together and seek out try and see, what better things could be done or how to solve and how to fix the problem.

So the kaizen becomes an important activity and it becomes a kind of a day-to-day activity and it makes them to move towards perfection. So these the cycle of kaizen activity first you need to standardize the operation. So once you standardize the operation then measure, so the measure the standardized operation find cycle time and amount in process inventory and then get the measurements against the requirements right. So it is one of the basics what we have talked about in terms of the control function, innovate to meet requirements and increase productivity. So there is always a scope for improvement so try and see now standardize the new improved operations and continue the cycle right, so as infinitely as possible.

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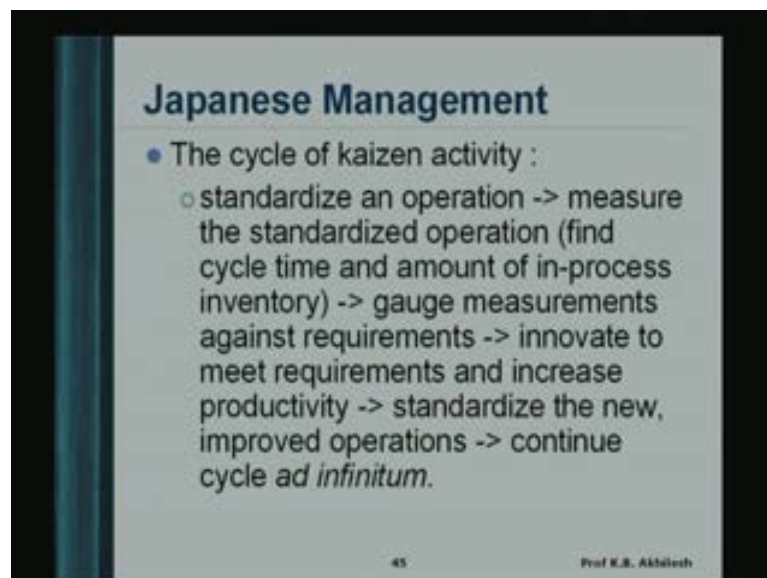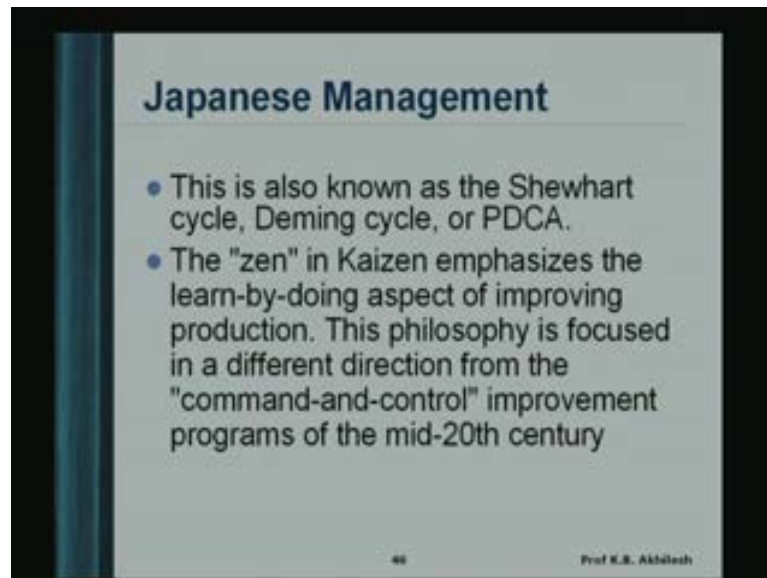
In other words, this goes through a kind of a cycle and what is important is that you need to have a standard and just because you have the standard do not think that is the end of the life. So in other words always you can improve upon the standards, so it is important to have the standards then you have to have a measurement methodology then compare this, get the actual and now see what better things can done and once you establish a new procedure and that becomes the standard.

So that several versions, several improvements are possible but the scope and the focus is always on that improvements are necessary and improvements are always possible, this is also known as the Shewhart cycle the Deming cycle or PDCA plan do control act. So these

all are kinds of things which have come in different forms today, so the zen in kaizen emphasizes the learn-by-doing aspect of improving production.

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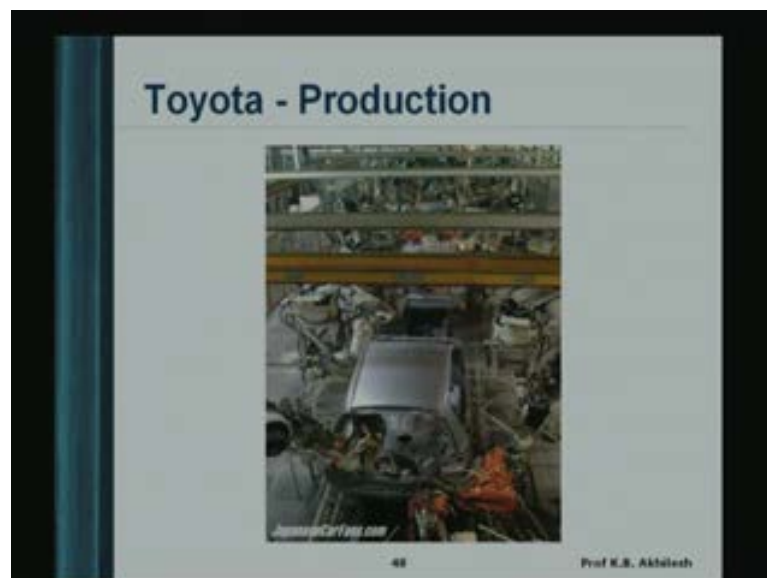
Japanese Management

- This is also known as the Shewhart cycle, Deming cycle, or PDCA.
- The "zen" in Kaizen emphasizes the learn-by-doing aspect of improving production. This philosophy is focused in a different direction from the "command-and-control" improvement programs of the mid-20th century

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Toyota - Production

So this philosophy is focused in a different direction from the command and control improvement programs of the mid-twentieth century of the western culture. So the people actively understand the need for kaizen and the it becomes the part of the culture and the

attitudes at the individual level, there are several things today talked about particularly with respect to the manufacturing industry, the Toyota.

So the Toyota manufacturing facility is being considered as so unique and so perfected at the global level, other companies find it extremely difficult to manufacture those standards and the kind of integration they are able to work with and the they are able to meet the interest of the employees and the requirements of the organization and achievement of the production systems with the quality, efficiency and bringing about the required response to the customers together that is about the Japanese management. Certainly, several authors have taken the view that the Japanese community was a kind of a protected community over a period time and the the Japan at the reconstruction period helped them to focus on doing some things unique, some things in an unique manner compared to any other organizations.

But the the focus of the Japanese practices are extremely important the first focus is to bring people who are known to each other at the class level, the second that means you are correcting that early socialization, the second is to build a kind of a secured employment practice where the individual is not thrown for any simple or sundry reason but he is hired for life longer or life term employment and when the individual comes to the organization, the emphasis is given for learning and building that learning opportunities over a period of time. So period of that 18 years from the age of 21 if the individual is joining up to the age of 39 given a kind of a plan and a systematic exposure, the systemic exposure is also called as the OJTs or on the job training.

So during the on the during this training which also happens on the job, the emphasis is given to build that required skill set not only one job and makes the persons specialist but to build the individual as generalist and over period of time the individual gets exposed to every task of the organization. So you have a generalist the generalist who can do all the jobs of the organization and also called as a master. So once you have several masters in the organization they can respond in a most flexible manner to meet the requirements particularly, the changing requirements changing demands of the organization.

So they can deal with when volumes are changing, they can deal with the volumes, when that is they can bring that kind of a the functional flexibility of the numeric flexibility you can deploy in certain function if it is required to deploy more number of people. So as we see the

deployment of the people is possible through building that right attitudes, the attitudes are built with the focus on only on learnability and they are not put in kind of an unhealthy competition or unhealthy comparison and with one colleagues.

In other words, the promotion and the career is seen as a systematic which is also based on the seniority and the seniority is not disturbed, the growth is not disturbed and the assessment and the evaluation is closely linked to the kind of abilities and the kind jobs which they can perform. A need-based pay and the seniority-based pay as well as a, an ability-based pay becomes the basis of the growth of the individual for the first 18 years. So once this is done that individual is expected to perform in a excellent fashion but the comparison comes assessment comes a clear exit points are established at the age of 38, 39 during that time the individual is used or told that is good or not good enough.

So he may be excellent but not so excellent to remain in the company. So they they use this practice called shuko, the shuko makes 50 percent of the people to remain in the system and 50 percent of the people can go and work in there subsidiaries. This subsidiary working where they train person from your organization will work for 18 years carries that kind of a culture culture of the organization to other subsidiaries which gives similar emphasis on quality, emphasis on productivity, efficiency things like that but one can also think of many of the simplest of the practices getting transferred but in a most efficient manner.

So once the you are contributing to leadership of the others subsidiaries then your supply quality also increases the practices also gets perfected coming back to the specific practices certainly, one of the practices we need to talk apart from this life time employment and the ability development and creation of masters over a period of time is this kaizen attitude. The kaizen approach makes a kind of a continuous improvement culture within the system. So people set standards compare the standards and work with the standards to improve upon and help each other and that is how the kaizen has become today one of the key initiatives of the world class manufacturing along with this world class manufacturing, you should also see some of the problem solving techniques, what people have developed, you must have heard what is known as the eisksva diagram or the problem solving techniques at the workplace.

In the problem solving techniques when people come together they do the brainstorming, they try to understand all the important cause of the problem and then like a fish bone

diagram they in the like a fish bone they represents the most important causes and also the main causes and the sub causes, what is contributing to the problem once they are able to understand through effective brainstorming, they can also work towards how to solve and how to overcome some of these things.

We talked about the Toyota example, in the Toyota today it is considered as excellent in terms of its manufacturing philosophy and manufacturing practice the individual and the organizations is in harmony and the leaders are supposed to be the coordinators they are not there to exercise their authority but they are basically enablers and they have developed these consensus methodology. In the consensus methodology that the lowest level in the group starts talking and then they focus on the problem and then it is passed on from one level to the other in a system called Rinky.

We will elaborate on the rinky system but within that rinky system they discuss and finally when it comes to the senior most level of the team member, he has a chance to agree or disagree. So these agreements and disagreements are normally can be seen in terms of where the senior person has heard every view from all the levels and would take an overall position 90 to 99 percent of the situation, the senior person would only not he said because he understands the complete pictures of the problem that is how the system is not only consensus building but it is also upward communication driven but in a consensus methodology, the difficulties it takes time.

It is highly time consuming and that is one of the problems also of the Toyota manufacturing facility where they use this aderncard, aderncard is that rope which runs through the assembly line. So any person is having any problem or any difficulty or he sees any deviation can go and pull this card and once that individuals pulls the card, the assembly, assembly stops in a sense where the supervisor notices that individual has a problem, he would run and solve a problem with that particular individual. If supervisor and that worker is not able to solve the problem usually then the whole team would run and they are supposed to the solve the problem in about 90 seconds, if they are not able to solve the problem in about 90 seconds normally it results in the stopping of the whole of the assembly line.

I think this when somebody imagines it becomes the very topiyan but however this happens on a daily basis, the supervisor although is having a wheel, a wheel in a leg would be moving

from one place to the other it is an amazing seen to be seen in the Toyota manufacturing facility all this would indicate that how close the supervisory and employee relationship is all about.

So the focus on the employees, the focus on their ability formation and there is always an effort the escalate the problem. So that the problems need not be seen at the at the customer level but they want to see and stop the problems and correct those things within the organization. So that means several corrections but these corrections can result into a kind of a chaos but the they follow this system that you have the standard which is so perfected. However, you always change this standard where people can come to the discuss these things and then implement and that is how it is an effective human organization, human organization which is so supported, which is so conflict less where people think that bringing new improvements, bringing change working towards the changes to meet the end customer requirements.
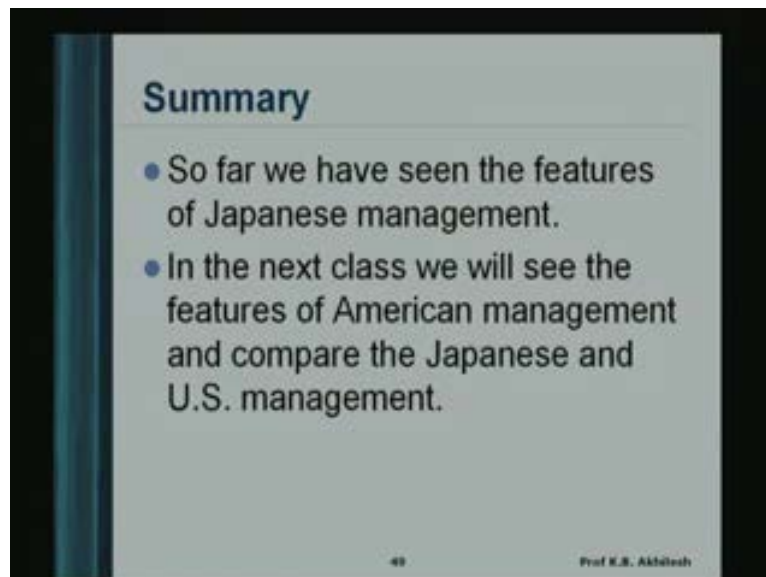
I think that becomes the focus that becomes the culture of the organization, we when they work with such flex, when they work with such flexibility, when they work with such harmony the organization becomes unique, organizations becomes so organic where people are not in a position to repeat such practices. This is what Toyota when I am what I mentioned in my last lecture talked about he said, if some ideas are there in the paper if some drawing which he was able to draw was stolen by someone but then he said if it is there in the paper people can take away, they will steal it but if it is there in the minds of the people, if it is built around the culture of the of the team and the organization who can steal those things, I think that is what Toyota breached and the Toyota today represents that vision of the leader.

So the leader builds the culture of the consensus builds that culture of continuous improvement and people work towards improving their own abilities and builds sustaining and performing organization and what you have seen the several of these features of the Japanese management. You cannot see much difference between the Japanese culture and the successful Japanese organizations because it is a very homogenous society but when it comes to the heterogeneous society particularly, like India where there is a big difference between one level of people and the other. In another words India is not a homogenous society but it is a heterogeneous society also it is economic disparities are also very high.

We have large number of people below the poverty line and there are several people who can afford every luxury possible and they are comparable to any part of the globe. So in a studified, divided and not so homogenous society, when you have do transfer some of these practices it becomes extremely challenging one. Organizational culture need to be built, so many take this view that it is almost impossible to transplant from one that is some practices from one place to the other. However, many initiatives today we have seen that it is possible that you can understand and build some of the unique features of the Japanese practices.

So the question is these cultural adaptations and how these successful practices of great and successful organizational, successful Japanese organization can be put into the practice in India. The initiative if you see has been greatly successful the manufacturing practices involving kaizen, manufacturing practices involving this PDCA, manufacturing practices involving the ishikava the the the fish bone diagram or the brainstorming at the subfloor level, people working together with the principle of no surprises.

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Summary

- So far we have seen the features of Japanese management.
- In the next class we will see the features of American management and compare the Japanese and U.S. management.

So these and the full proofing also called as the Porkayoke, so many of these effective manufacturing practices of Japanese corporations can be transformed can be used in the Indian companies as well. So these practices where effectively transformed into an another culture can harmonize and build more performing organizations and that is how learning about Japanese manufacturing practice, Japanese style of manufacturing become very unique

and has been so successful and today, it is becoming a kind of a global benchmark and global practice, if not all the features of the career management, the people management or integrating and harmonizing the people interest and the organizational interest.

It is always possible to build that work culture and work practices at the subfloor level where people come together, come together work as a team and then involve this continuous practices of improvement bringing about change focusing on what is wanted by the organization and also in the interest of the customers all of these things are becoming extremely important and relevant. So we need to see how this the American management and the and the Japanese management we can compare and then also look at the features of the American management in relation to the Japanese management and then we have to see the best of the East as well as the West, I think that is the attempt and that is what we will do in our next lecture.