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WEATHER
TOKYO: Cloudy, fair, NE wind
HOMEROV: Cloudy, rain, NE wind
KANSAI: Cloudy, fair, NE wind
TEMPERATURES
Yesterday: Max 17.5 Min 10.1
Hum 61%
Today: Max 17 Min 11

No. 12380

A Guide For The Expatriate Boss

By Jorge Ribeiro

Labor Pains and the Gaijin Boss: Hiring, Managing and Firing the Japanese. By Thomas Nevins. The Japan Times, Ltd. 1984. 293 pp. ¥2,800.

Business books about Japan recently have been going at about a dime a dozen, with most of them worth just about that much. If you paid more, you were cheated. Now, happily, there is a notable exception.

Thomas Nevins' *Labor Pains and the Gaijin Boss: Hiring, Managing and Firing the Japanese* is a no-nonsense approach born of 12 years of single-minded pursuit of his task, which was to become a labor relations specialist. Nevins has succeeded admirably and for a mere pittance, you can have much of his twelve years of experience simply for the time it takes you to read the book.

The book, a "handbook" as Nevins refers to it in his introduction, is not really meant for sitting and reading straight through. It is a collection of articles that have appeared elsewhere over the past seven years or so and thus exhibit repetitions and redundancies that may be tedious to some, but which serve to hammer home important points as Nevins sees them.

This handbook, ostensibly for businessmen, particularly the expatriate manager, will be of interest to anyone with an interest in the Japanese and their culture. Much of what Nevins says simply corrects misperceptions perpetrated by less informed pretenders cashing in on the Japan boom or is common sense characterized by its lack of commonness.

The corrections concern the lifelong employment system, the seniority system and labor unions, all of which have a history of just some 30 years in Japan. These concepts which have become known worldwide, in fact, pertain to just 20 percent of the work force. Smaller firms

experience a more fluid labor force, pay their workers on a system which has rewards for merit built into it and often have managers who are younger than some of their subordinates.

The key to managing the Japanese is deceptively simple: avoid surprises, strive for stability and have a system. The first thing the expat manager must do is to jettison ideas of the way things are done at home.

High salaries and perks that are glamorous elsewhere are rendered meaningless here. What is given is hard to take back and Japanese workers will grumpily clamor for what they expect in addition to the foreign perks. They can sometimes end up with the best of both worlds.

Salary scales with bonuses tied on must be drawn up and given a flexibility based on merit which will allow the actual bonus to be adjusted by as much as 20 percent, plus or minus, of the set rate.

Work rules are crucial. The work rules establish working hours and days, how these may be changed, how personnel may be moved about within the corporate structure and how they may be terminated. Anything not stipulated in work rules is hard to accomplish later (though work rules may be changed in anticipation of problems). Work rules are mandatory for any company with 10 or more full-time employees and must be submitted to the Labor Standards office.

Lay-offs must be preceded by visible signs of belt-tightening: overtime must be cut, empty positions must be left unfilled, part-time contracted workers must be let go when their contracts expire and management must take a pay cut of 15 to 20 percent. The company is, in this process, establishing its "sincerity." In the event of failure in spite of these actions, there can be no surprised employees—they will have

seen what was coming. An unsurprised fired employee will not litigate.

Litigation, in Japan, almost always ends in favor of the employee. Nevins writes: "To give you a feeling for how hard the courts are on the employer, the firings which resulted in the following cases are examples of abusive dismissal."

1. A maintenance man sold wheels which belonged to the company.
2. An employee watched a tennis match during work hours and slept during the night shift.
3. A hospital employee obscenely treated a nurse while on a company recreation trip.
4. An employee was given a six-month suspended sentence for drunken driving and a number of employees were arrested for participating in street demonstrations.

The secret is to get the employee to accept his layoff, or better, to resign. Nevins' most interesting story is the Kato case.

A young and troublesome Japanese employee, while on a business trip to Taiwan, refused to return, claiming he was "needed" by client companies, though they had complained about his intrusions. In fact, the bachelor was apparently living it up.

When he finally returned—because no more funds had been sent—his expat boss ordered him to write letters of apology to two of the Taiwanese clients. The lad refused and delayed. Exasperated, the boss finally fired Kato on very short notice.

Kato called in a witness and then left in anger, but a cool anger which worried the boss. He called Nevins who explained that he would probably lose this case in court.

Pressed, Nevins came up with a simple elegantly effective way to approach the problem: he suggested that when Kato returned to request the dismissal notice be put into writing, that the expat manager give him a paper

to sign. The paper would give him two options: apologize for his "mistakes" and write the letters of apology, or, failing that, resign. The expat boss was able to save face and avoid litigation.

The chapter "Inside Tips to Make the Foreign Manager Successful," a masterpiece of common sense and a keen distillation of Nevins' cultural studies, will surely benefit any and all who read it. Some sample gems from it: "keep the basic wage as low as possible (Japanize compensation from the start)," "hide your claws," "get as many people as possible involved in the decision process," and "avoid explicit conflict and bad feelings which do not heal as easily in Japan."

Nevins is obviously the best around at what he does and the book reflects that. With this book in hand, you can't go wrong.