

Managing Japanese Labor in Foreign Companies

Depend on front-line supervisors as your eyes, ears and spokesman



By Thomas J. Nevins

In large Japanese firms where labor relations can be seen at its stereotyped best, the Japanese worker is undoubtedly one of the most manageable in the world. But once trust and harmony break down, he can be extremely irrational and unforgiving.

In a homogeneous country, the foreigner, with his different ways (and his very real, although often genuine blunders), can more easily be the target of this aberrant radicalized Japanese spirit of disharmony.

Comparatively speaking, the Japanese do not feel comfortable asking for money, or asserting their rights. (If a Japanese lends a book, that has not been returned for several months, he has a hard time being cut and dry enough to remind you to, "Please return it when you've finished it." He would have to make an excuse and meekly say that "another friend wants to borrow it.")

The traditional, ideal norm in a Japanese company is that the employer should look after his workers' welfare without having wage etc. increases demanded.

For the average Japanese to break out of the hard shell of behavior and social custom, which requires that he not complain and above all maintain harmony, he must arm himself with certain tools, or props enabling him to escape reality, and stage a drama in which the players have "henshin" d

themselves or gone through a stage of metamorphosis.

This can be seen throughout society, whether it be the hero who turns into a grotesque-looking monster before he can fight on the T.V. shows for children, or whether it be a helmeted student demonstrator who must further cover up his face (and his harmonious instincts) with a towel.

This process also explains the head and arm bands of protesting workers. It gives them the little needed boost enabling them to shed the skin of restraint.

In a homogeneous, insulated and ethnocentric Japan, by definition this foreign element is largely "outside" of these Japanese patterns of mutual obligations, harmony, and restrained behavior of conflict avoidance.

In dealing with an element that is fundamentally believed to be different, the Japanese find it easier to shed their restraining skins, this is why irrational acts of dispute, bad feelings, mistrust and resentment can be at times particularly acute and prolonged in foreign companies. (The foreign company does tend to be more prone to a souring of labor relations, although in that foreign company operations, at least in the Japanese subsidiary, are quite small, it may be that labor-management problems stem also from enterprise scale. In Japanese companies of equivalent size, with employment security, and compensation and benefits less secure and stable, labor relations can be bitter and violent.)

The point of all this is that given this special handicap facing foreign management in Japan, an extra effort must be made to directly generate genuine trust between top foreign management and front-line supervisors.

They will then be management's spokesman and help in the fight for the loyalty of rank and file workers. These supervisors are management's most valuable asset and direct min-

ute by minute representatives with employees.

They should feel that they are an integral part of the management team and should be given the authority they enjoy in Japanese companies, where top-down management by objectives is superseded by a bottom-up bubbling of ideas and proposals, with more people taking initiative, sensing pride, and feeling like managers.

If a union is inevitable, work toward developing the 'right' union

Although Article 7, Section 2 of the Japanese Trade Union Law prohibits employers from controlling union administration and giving financial assistance to unions, supplying office space free of charge and financial support to the union welfare fund are not unfair labor practices.

Most employers stretch this further and provide furniture, stationery, pay the phone bill, and provide a copy machine, etc. Unions also use company meeting rooms and bulletin boards. Widely practiced is a union dues check-off service which the company provides for the union.

Sometimes union officers even get leave with pay for engaging in union activities, and full-time union officers are often given unlimited leave of absence from the company. (A Nikkeiren survey of 352 companies found that 66.8 per cent of the companies had members of their Board of Directors who had held a union office. Keep in mind that there are few outside directors in Japanese corporations.)

Unions in Japan, with their narrow, single enterprise dues base, are financially weak, and although acts of disputes (especially in smaller firms) can be embarrassing and quite annoying to management, there is little fundamental power to sustain a long economic strike.

Obviously, the above mentioned financial and other support given by a company tend to further weaken a union, although the unions like to think that demands for additional company support is proof of militancy and that the union is

made stronger each time it wins an additional concession of support from management.

Surprisingly, unions have almost never claimed this support to be an unfair labor practice at the labor relations commission. Rather they tend to appeal to the commission when employers abolish these arrangements.

Employers should realize that the more benefits they give the unions, the more dependent the union grows. Although it is more difficult, even in the foreign company, with good consistent labor management policies, and an avoidance of explicit conflict, it should be possible to indulge in a comfortable relationship of mutual reliance and dependence.

This is a tricky path for management to follow, however, because once the employer has agreed to provide certain benefits to the union, they cannot be taken away easily.

Should management try to pressure unions by abolishing these benefits, unions can appeal to the labor relations commission, which will usually force the firm to restore the union's privileges.

By doing so the commission presumably intends to protect unions, but the result is to really further weaken them and make them more subservient to the employers.

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