



A Historical Review of Japanese Management Theories: The Search for a General Theory of Japanese Management

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Japanese management theories have not developed into a general theory of Japanese management, that is, a theory drawn from the ‘mutual mediation’ of historical and theoretical studies of local business management. One reason for this is a focus on specifically Japanese traits within its system of management, from cultural aspects embedded within business to issues of the financial system, relations with government, *kigyoshudan* and *keiretsu*, industrial relations and labour management and management methods such as production control. No study has yet addressed general theoretical issues regarding Japanese management, and this is reinforced by the recent specialization and fragmentation in management studies. Given the broad scale of the development of industry and management in Japan, it is unsurprising that individual areas should receive priority. Nonetheless, individual areas are in a relationship of mutual mediation with the development of a general theory, and thus we cannot disregard the importance of the latter. This article reviews historically existing Japanese management theories, classifying them into four approaches, and considers the possibility of developing a general theory of Japanese management through the mutual mediation of historical and theoretical studies, as well as of individual management studies and studies of general theory.

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Introduction

This article seeks to review and examine theories of Japanese management and to demonstrate the potential for the development of a general theory of Japanese management, based upon the mediation of historical and theoretical research of existing studies of individual management fields in Japan.

While Japanese business management studies may logically be classified into historical and theoretical research, both of which are complementary, a general



theory of business management may be established via their mutual mediation (Mouri, 1977). A ‘general theory of business management’ in this case, depending on research approach and object, might be called a ‘general management theory of Japan’ or a ‘general theory of Japanese business management’. Hereafter, it will be useful for our understanding of Japanese management to distinguish the ‘general theory of business management’ from ‘a Japanese management theory’. Of course, research development through the mutual mediation of historical and theoretical research is applicable not only to Japanese, but also to US, German or other local styles of business management. Therefore, any general theory of Japanese business management may be said, like general theories of other countries, to form one school within a wider general theory of management.

However, in reality, studies on Japanese management have not always been conducted through the ‘mutual mediation’ of historical and theoretical research. Moreover, conventionally, while there has been much discussion of what is specifically *Japanese* about Japanese business management (ie ‘peculiarity research’), there has been extremely little attention paid to what *management* is in Japanese business (ie mutual mediation of historical and theoretical research).

In order to be able to discuss even what is specifically *Japanese* about Japanese business management, we are forced to consider what *management* is in Japanese business. From such an approach, advocates of a Japanese management theory will usually construct their own definition of what Japanese business management is. Whereas one advocate might focus on the cultural characteristics of Japanese companies, another might draw attention to industrial groups or *keiretsu*, to financial systems, relations with government, or methods of management such as industrial relations and labour management, production control, or managerial decision-making and organizations. This is how numerous Japanese management theories have evolved.¹

Such being the case, despite the observations of the late Professor Mouri over 20 years ago, Japanese management theory has not yet arrived at a general theory of business management — that is a definite general theory of Japanese business management developed via the mutual mediation of historical and theoretical research into Japanese management. Conversely, this implies that subdivisions and specializations of studies have developed alongside new research fields. Studies in individual fields have therefore naturally taken precedence over the formation of a general theory. However, as the development of specific studies and the formation of a general theory may be related through the mutual mediation process, we cannot maintain that there is no need for the formation of a general theory.



Development of Japanese Management Theories

Let us begin by putting into rough chronological order existing studies of Japanese management.

Until the 1960s, ‘Japanese management’ was primarily used in the sense of a specifically Japanese model, characterized by such concepts as ‘lifetime employment’, ‘seniority wage system’ and enterprise unions (Abegglen, 1958; OECD, 1973) and management by *collective* principle (Hazama, 1963; Nakane, 1967; Tsuda, 1976; Iwata, 1977; OECD, 1978). This trend continues even today as a socio-cultural approach to Japanese management.

The 1970s saw the appearance of research showing similar systems and organizations to be extant in the US and various European countries (Dore, 1973; Koike, 1977). Research also flourished in the area of Japanese labour management and industrial relations (Hasegawa, 1971, 1974; Izumi, 1974; Kimoto, 1976). The actual state of automation and labour in factories provided a further focus for dedicated research (Ishida, 1970, 1981; Sakamoto, 1974), and a critical economic approach to business management (Ishida and Ohashi, 1978) was proposed as a more systematic approach to the study of labour and its management in contemporary business affairs.²

In addition, during the 1970s, research on the social responsibility of companies, with particular reference to issues such as pollution and research related to corporate ownership and management control, attracted widespread attention. When the Japan Society of Business Administration chose ‘Issues of Pollution and Theories of Business Management’ (Japan Society of Business Management, 1973) as its conference theme for 1971, interest in investigating the social responsibilities of companies and corporate ownership (*ibid.*, 1975) grew. Furthermore, with the appearance of research into the formation of managerial control through institutional ownership of stocks in large Japanese companies (Mito *et al.*, 1973), studies on issues of ownership, control and management in corporations, in relation to a structural analysis of Japanese capitalism, have evolved (Noguchi *et al.*, 1973; Iwata and Takahashi, 1974). The theory of ‘corporate capitalism’ (Okumura, 1975), which is based on the mutual ownership of stocks by corporate bodies, and studies on ‘enterprise groups’ with banks and general trading companies at their core, and their role in business management (Okumura, 1978; Noguchi, 1979) generated enhanced interest in research into the managerial structure of Japanese companies.

These various forms of research provided the basis for Japanese management studies, which in the 1980s clearly broadened in scope from a focus on labour management and practices to embracing comprehensive individual fields of research on business management, such as R&D, production, purchase, sales, finance and business analysis. Moreover, this gave rise to structural analysis of corporate control by management and enterprise groups



(Chuo University Corporate Research Institute, 1982; Fujii and Maruyama, 1985).

This broadening of research in Japanese management was also apparent overseas, which in turn fired further research in Japan. Various studies were published in quick succession, bringing about what may be termed a veritable Japanese management boom abroad. The early 1980s saw such works as: *Theory Z*, suggesting how American business could meet the Japanese challenge, based upon a comparative study of the organizational principles of US and Japanese companies (Ouchi *et al.*, 1981); *Japan Inc.* theory (Johnson, 1982), according to which administrative guidance from such bodies as MITI provides the very key to Japan's post-war revival; and research into the Toyota Production System, with its superior competitiveness in cost, quality and delivery time (Schonberger, 1982; Monden, 1983). In the later 1980s, there appeared assessments of the effectiveness of the Japanese production system as a means of recovering business competitiveness in advanced industrialized Western nations (Dertouzou *et al.*, 1989; Roos *et al.*, 1990; Coriat, 1991). Therefore, with Japanese companies making increasing inroads abroad, observations that Japanese management would need fundamental change (Porter, 1985) attracted little attention at that time.

Along with the overseas acclaim for Japanese management came attention on its universality, or applicability in other countries. Among these were studies positing universality as founded upon the invisible assets of the cultural background to Japanese management (Yasumuro, 1987; Kagono, 1989). There were also studies that found similar universality (economic rationality) in the personnel, organization, corporate objectives, management systems and other features making up Japanese management and inter-corporate systems, such as long-standing transaction practices and business connections (Abo, 1988; Keizai Kikakucho, 1990). Although the theory of Japanese management as applicable abroad was generally termed the theory of 'universality', its substance was at best perceived in terms of its potential for international utilization, and it was less an examination of the context of business management and social science. Perhaps because the 1990s recession forced the Japanese management issue into a back seat, such discussions were not pursued further and the dichotomy between the 'universality' and 'specificity' theories (which emphasize 'specificity', that is, backwardness, of Japanese management) continued.

Going into the 1990s, with the strong recovery of the US corporations after their 1980s restructuring, a complete about-turn brought refreshed attention to new management theories from America, such as theories of 'competitive strategy', 'reengineering', 'core competences' business management, 'human resource management', 'knowledge management' and 'virtual corporation'. Although such studies are collectively known as the American theory of



business management,³ the fact that Japanese management systems (in particular, the Toyota production system) provided the inspiration for some of it means that a significant relationship with the Japanese theory of business management cannot be ignored. However, regarding the tendency that the universality theories of Japanese management which evolved during the 1980s positing convergence with the new American theories of management, we need to identify what kind of relevance exists between them and to understand the historical and theoretical background which helped generate the new American theories.

On the other hand, from the standpoint of specificity theory, much critical research on the actual state of labour management and industrial relations in Japanese companies in Japan and overseas has appeared (Kimoto, 1991), as well as the development of international debates (Maruyama, 1992, 1993; Kato and Stephen, 1993). Studies on female labour in Japanese companies were also conducted in relation to Japanese management theory; these became a characteristic of this period (Fujii, 1995; Watanabe, 1995). Much of this critical research focused on personnel and labour management systems and identified characteristics of labour problems and industrial relations. That is, much emphasis was put on exploring Japanese specificity, and some advocates consider these as characteristics of Japanese management systems as a whole. Conversely, others showed little interest in linking such characteristics to the whole system, and hence less interest in the formation of a general theory of business management. Indeed, while there were some theoretical studies of managerial institutions which linked the influence of American management on that of Japan as a Japanese-style Americanization (Hasegawa, 1971, 1989), there have been no adequate institutional studies of the transfer of Japanese management ('Japanization' of foreign management systems) since the late 1980s. Instead, it would seem that theoretical approaches to labour management and industrial relations as part of business management have been downgraded since the 1980s.

However, numerous studies have been conducted on the impacts of micro-electronics upon management and labour. Although the historical and theoretical study of technology and automation (Munakata, 1989), the polarization theory of labour skills (Murata, 1993) and the theory of intellectual skills (Koike, 1991), as well as studies of industrial systems (Nohara and Fujita, 1988; Nomura, 1993; Saruta, 1995; Ishida *et al.*, 1997), theories on technology, labour and management in big businesses (Koyama, 1985; Yasui, 1986; Miyuki, 1997) and human resource management theory (Futagami, 1996; Shima, 2000) have attracted attention, there has been no significant study of such issues based upon the mutual mediation of historical and theoretical approaches. There has been less work towards the formation of a general theory of labour management in business, and even less research on



how to locate such a study within a general theory of business management. As such elements as technology, labour, labour management and industrial relations are important components of Japanese management systems, they constitute important research topics and areas that cannot be overlooked. The issue is how the two theories, the general theory of labour management and that of business management, should be integrated.

In addition, studies of medium-sized and small enterprises, starting out from the traditional ‘dual structure’ theory between big businesses and SMEs, and passing through ‘medium enterprise’ theory (Nakamura, 1964), and the ‘hierarchical structure of inter-firm relations’ theory (Chuo University Economic Research Institute, 1976), found prominence in the 1990s in a theory of ‘inter-firm relations’ (Asanuma, 1997; Shimada, 1998). Moreover, with the deepening concern for global environmental issues, from around 1990 the issue of social responsibility in business has also attracted the attention of academics and business associations (Shinohara, 1991; Nikkeiren, 1995).

These studies influenced theories of Japanese management. The subjects of study shifted in each specialized and subdivided field from being focused on Japanese-ness in Japanese management to studies focusing on the substance of management systems, enquiring what constitutes a management (individual and general) system as regards purchasing, R&D, production, marketing and information systems. It may be said that the study of management systems, that is Japanese management theory, was developed and the widespread use of notions like ‘Nihongata Keiei’ (Japan-style management) reflects this shift in research subjects and the progress of research (Itami, 1987; Yoshida, 1996; Sakamoto, 1999).

Considered in this way, it may be necessary to look more closely at the concept of ‘Japanese-ness’ as used in ‘Japanese management’. That is to say, conventionally there have been two main interpretations of ‘Japanese’. The first is Japanese in the sense of a specific Japanese style (in system or its attributes), which is non-existent abroad. The second is Japanese as used in the sense of Japan-style management methods and practices, where similar notions with similar functions (ie goals) do exist abroad, but in different forms — or, conversely, are similar in form, but with different functions. These studies on ‘Japan-style management’ aim at finding a ‘conceptual model’ for a specific period — such as the periods of high or low growth — extracted for the purpose of international comparison. With the increased internationalization of business activities, there has been a further rise in interest in these studies.

Set against this, the present author seeks to highlight a third usage of the concept of Japanese-ness, not covered by the above two definitions. Some results of the historical and theoretical study of business management which became globally known from around the 1990s have attracted international attention — as they concerned the business management of Japanese



companies, this management was termed Japanese management and related research was known as the Japanese business management theory.⁴

The Present State of Japanese Management Theories

In the present climate of heightened globalization in corporate activities and networking of information systems, the meaning of Japanese management has again been called into question. Current studies on Japanese management within Japan can be broadly classified into the following approaches.

Cultural and sociological study of Japanese management

The logic of Japanese business management may not be explained in terms of the principle of profit maximization, but rather by the ‘logic of organization’ of Japanese society. Leading on from this, there is a tendency to believe that Japanese management can be sufficiently characterized in terms of components that reflect the logic of Japanese society — the logic of cultural theory or sociology. Such notions as Japanese management changing from ‘corporate family-ism’, based on groupism, to ‘corporate welfarism’ following World War II (Hazama, 1963), or of Japanese management not only having an economic function, but also constituting a ‘community of living’ able to meet the demands of politics, society and culture (Tsuda, 1976, 1977) are examples of this. The assertion that it is the psychological characteristics of Japanese people and the concomitant social relations that form the ‘basis of the organizational principle of Japanese management’ (Iwata, 1977), moreover, uses the term ‘basis’ in the sense of ‘subjective conditions’.

In addition, in an approach that regards the cultural characteristics of the Japanese people and their society as the foundation of Japanese management, studies of social aspects, like the imperial and family systems, may also be included (Mito, 1991; Iwao, 1992). Their contribution to the exploration of the specific nature of Japanese management cannot be neglected.

Insofar as Japanese management is business management, the crucial factor is whether or not the logic of groupism and the logic of vertical society are consistent with economic rationality. This is because, Japanese management being corporate management, the principle of profit maximization as a guiding principle and criterion of management evaluation can be neither ignored nor diminished. However, in the opinions formed from these cultural theories and sociological/psychological studies, it is not always clear how this relates to the capitalist principle of profit maximization, even if the ‘logic of organization’ of Japanese society — such notions as groupism as the basis of Japanese management — is clear. For example, although the cultural background to the



system of seniority or life-time employment may be explained, such notions as whether these concepts are consistent with or contradictory to the corporate principle of profit maximization, or which should be given priority, remain unclear, as indeed does the matter of what relationship a company's logic of organization bears to the principle of profit maximization, even where the above cultural aspects are consistent or contradictory.

In the 1990s, although regarded as an extension of existing studies of Japanese management, the type of study that discusses severance and continuity with post-war reforms as a momentum and source of change in the social system unique to Japan (Hazama, 1963; Tsuda, 1976, 1977) began to decline, while the study of behavioural principles common to Japanese throughout the pre- and post-war periods and the study of organizational principles functioning throughout all Japanese groups, organizations and enterprises began to develop.

For example, there were studies which showed that the groupism at the heart of Japanese management does not demonstrate the 'remains of feudalism' indicative of backwardness, but reflects 'one characteristic of Japan's national culture' (Odaka, 1984); or that, far from being broken in the post-war reforms, the logic of organization in Japan is a 'family logic' in existence both before and after the war, as demonstrated by the theoretical and historical research that took into account comparisons with European countries (Mito, 1991, 1994).

On the other hand, attention has been given to studies showing the value ideals at the heart of Japanese management to be something that cannot be explained in terms of Western concepts of individualism or groupism, but as 'contextualism', aiming at a 'mutually beneficial/symbiotic' social system for human beings (Hamaguchi, 1982, 1998). Two studies gained particular prominence. Tao (1997) posited the 'company man', the individual overly devoted to their company, since the behavioural traits of Japanese businessmen cannot be explained in terms of Simon's notion of the rational 'administrative man', which itself derived from Bernard's 'equilibrium theory of organization'. Hazama (1996), meanwhile, had looked at Japan's post-war economic progress in terms of the Japanese perception of labour during that period, a labour ethos that differed from traditional work ethics and was more recognizable in an international sense. Two types of ethos, he argued, had thus emerged — the labour ethos of 'corporate warrior' among those who had experienced the war and that of the 'company man' among the post-war 'baby boom' generation.

These studies provide a somewhat affirmative evaluation of the outlook on labour and logic of organization of the Japanese, not only as something that cannot be evaluated in terms of the criteria of 'development' or 'backwardness' borne of Western standard values, but as something that can and should be comparable with internationally common criteria. Nonetheless, there still



remain studies that emphasize the backwardness of the Japanese social system as it used to be (Iwao, 1992; Watanabe, 1990; Wolferen, 1989).

Studies on the internationality of Japanese management

With the increase in overseas operations of Japanese companies, attention has been given to studies that analyse the extent of potential utilization for every sub-system constituting the Japanese management system. Namely, Japanese management and production systems are divided into work organization (and its operation and management), production control, participative consciousness, employment environment, parts procurement and parent–subsidiary company relations, wherein the former three are virtually able to ‘apply’ Japanese methods at the local site, while the latter three require modification in order to ‘adapt’ to local methods (Abo, 1988; Ichimura, 1988). Added to this are the aforementioned *White Paper on Economics* (1990 version) and the theory of ‘human-ware’ (Shimada, 1988).

In contrast to the first research approach, which explains the characteristics of Japanese management directly via the traits of Japanese society or the Japanese themselves, and contains inconsistencies in that identical organizational and cultural factors in corporate management are used to explain the counter concepts of specificity and universality, the second research approach has succeeded in presenting numerous factual documents that must be taken into consideration. Since the emergence of this approach, it is argued that any discussion of specificity or universality theory requires data to be convincing, thus bringing about a development in research quality.

Furthermore, since the mid-1980s, there have been more cases using sub-systems (even if sometimes divorced from Japanese industrial relations and Japanese culture) of Japanese management, such as JIT (just-in-time) system, multi-skilled workforce system and quality control circles, as rationalization of management in foreign companies (‘Mediative Japanization’) (Ackroyd and Burrell, 1988). However, studies warning that in Britain, where management systems are not easily separated from cultural background, the introduction of Japanese management methods in order to revive British industry (‘Permeated Japanization’) will somehow negatively affect British society (Oliver and Wilkinson, 1988, 1992) have attracted attention within Japan itself. Even supposing that the utilization of Japanese management systems in foreign companies is sometimes partially based on misunderstandings, it provides a greater scope for the potential utilization of Japanese management systems and they have provided suitable fresh material for research into Japanese management.



Japan-type management theory — theories of limits and reforms

This approach analyses the concrete problems of Japanese management systems and identifies their characteristics and directions for reforms.

To begin with, one punctilious manager wrote a paper entitled ‘Japan-type management is dangerous’, and argued that although Japanese companies have until now achieved profit at the expense of their stakeholders, in order to co-exist with foreign industrialized nations such as those of Europe and North America, systems that can only survive at the sacrifice of others must be reformed at the level of both idea and practice (Morita, 1992). Following this came such bodies as the Federation of Economic Organizations (Keidanren) and the Japan Committee for Economic Development (Keizai Doyukai). For example, the Japan Federation of Employers’ Associations (Nikkeiren) published a *Report* (Nikkeiren, 1995) announcing the need for concrete reforms in many systems such as employment, personnel, pay and corporate welfare, while maintaining ‘universal ideas’ of ‘respect for human beings’ and ‘long-term oriented management’. In their report they proposed to abolish a number of ‘guaranteed’ aspects of employment and replace them with various systems based on the ‘principle of result and performance’, in accordance with the ‘idea of respect for human beings’, regarded by Nikkeiren as a ‘universal principle’.

In support of the Nikkeiren Report, Yoshida (1996) concluded that as Japanese management is made up of a closed system on the outside and submissive ‘company men’ within the company, ‘not only is the individual sacrificed to the company, but a company with only “company men” loses its vitality and before long will fall into decline’, stressing that the solution lies in the need to make the labour market flexible. However, there is no mention of the nature of any new labour system and no reference made to the responsibility of the employers who created the submissive ‘company men’. It is natural that labour market flexibility should be criticized as magnifying wage differentials and employment discrimination (regular vs. non-regular employees, men vs. women, etc.) that existed previously and that an increase in temporary workers will lead to employment instability. If such flexibility is a ‘universal’ common to market economies, then it is necessary to ask what ‘universality’ actually constitutes. Economic rationality does not necessarily mean social legitimacy.

Studies critical of the Nikkeiren Report have attracted attention, arguing that the introduction of the ‘principle of result and performance’ will mean even greater competition among workers, with a further sophistication of the individually oriented merit system which had already changed from around the 1970s, with the aim of enhancing competition for the opportunity of education and promotion (Kimoto, 1998; Makino, 1998).



In this way, Japan-type management theory is studied not only as a general management system, but rather as an individual system of management, namely Japan-type personnel and labour management, Japan-type management organization, a Japan-type production system, Japan-type management information system, and so on. This approach can be divided into one which discusses the universality and specificity of Japanese-type management and another which aims at the formation of a new general theory of management based upon these Japan-type management studies. The latter leads to a fourth approach (Tona, 1993; Suzuki, 1994; Okubayashi and Shomura, 1994; Akashi and Ueda, 1995; Sakamoto, 1998).

Towards a general theory of individual management studies

Some academics have attempted to create a new general theory of business management based on the study of Japanese management.

One is the theory of organizational knowledge creation, which is based upon the rudiments of the creation of organizational knowledge using the concepts of ‘tacit knowledge’ and ‘explicit knowledge’ (Nonaka and Takeuchi, 1996). Porter evaluated this as a ‘true frontier of management theory’ emerging from Japan (Nonaka and Takeuchi, 1996). Another set comprises studies which demonstrate theoretically that, with the competitive predominance established by Japanese companies in the 1980s being forced to shift emphasis from something based merely on production technology to something based on ‘product development ability’, new management methods of product development were diffused globally, which nonetheless continued to manifest Japanese characteristics (Fujimoto and Clark, 1993; Nobeoka, 1996; Enkawa and Adachi, 1997). A third set is composed of studies seeking to provide theoretical elucidation of excellent information systems, consisting of information systems via information technology and information systems via human beings — systems aiming to confer high added value to production, preservation of the global environment and work satisfaction to employees. These explore how such a system might continue and flourish under a capitalist market economy (Shimada *et al.*, 1996). In another approach, Kokuryo gave a theoretical model for management systems in an age of computer networking, from the premise that the structural reform of Japanese companies has gone from ‘enclosed-type’ to ‘open-type’ management (Kokuryo, 1995, 1998). Also, studies on corporate ownership, control and management have developed in the direction of international comparisons of corporate governance (Uetake and Nakata, 1999). In particular, historical examination of the conditions in which various types of corporate governance emerged in Japan, US, Britain, Germany and France, and studies which provide a theoretical consideration of the various types of reform bills or proposals concerning Japan-type corporate governance



have drawn attention, based upon perspectives critical of views regarding the US model as the international standard (Kikuchi and Hirata, 2000). These theories seek to build a theory of global management suitable in an era of global networking.

From Japanese Management Theories to a General Theory of Japanese Business Management

Is there any possibility that these approaches might develop into a general theory of Japanese business management based upon the mutual mediation of historical and theoretical research?

Although the cultural and sociological approach has brought rewards in the evaluation of the relevance of Japanese people or society in the study of business organization, insofar as they explain the characteristics of management systems directly via human behavioural traits or societal characteristics, they fail to explore the aspect of enterprise as capital and inevitably limit their studies of business management.

While it cannot be denied that certain characteristics of management systems reflect traits of Japanese behaviour and society, if it is not explained in the context of profitability, as demanded by enterprises as a function of capital, we cannot say that it elucidates the characteristics of enterprise or management systems. This is because, although the enterprise or management system is a component of and prescribed by the social system, it also has its own principles — revealing the need for identifying the characteristics of enterprise or management systems (Hayashi, 1995). Therefore, a theme of future research will be how to integrate this capital aspect of enterprise into the research results of this approach.

The second approach is the study of the internationality of business management as represented by the theory of ‘universality’ and the ‘hybrid’ theory of ‘application’ and ‘adaptation’. The contribution of this approach lies in the fact that it has developed the study of management into that of international transfer and methods thereof, which previously had been limited to the sociological study of foreign cultural exchange.

These ‘hybrid’ theories have been highly regarded for their clarification of the way in which specific management systems are ‘applied’ in societies of different cultures. How research methods can be developed in future remains an important factor in this approach. However, the school is lacking in its analysis of the intentions (objective) of management, and thus misses an essential aspect of management. In the future, it is expected to develop the approach in terms of management intention (objective), long- and short-term managerial objectives and corporate strategy as a whole. The analysis of what



sub-system of Japanese management can be ‘applied’ (function effectively) to what managerial objectives, why it should be so and how its reality should be understood, will not be achieved only through the study of the society and culture that accepts that management; it is more possible when we analyse management ‘intention’. Up to now, there has been almost no work on this point. Recently, one investigation has included ‘corporate strategy’ in its survey items (Okamoto, 2000), but it is still not possible to clarify ‘intention’ simply by the measurement of results obtained through ‘application’ and ‘adaptation’.

In the area of international transplants (or ‘transfers’) of corporate management methods, studies aiming to ‘construct a general theory of management methods’ should be evaluated in consideration of not only the transfer of Japanese management abroad but also such transfer into Japan from elsewhere as well as transfer of management methods among Western countries (Kawakami, 2000; Takahashi *et al.*, 2000).

The third approach lies in ‘Japan-type’ management theories which, while assuming international comparisons (Kagono *et al.*, 1981), seek to draw out a concrete ‘type’, namely a ‘conceptual model’. We are in an age which upholds American management theory and methods; new management theories such as ‘competitive advantage strategy’, ‘re-engineering’, ‘virtual management’ and ‘knowledge management’ are propagated under the dynamics of globalization and the IT (information technology) revolution. In this context, Japan-type management may be seen as a convergence towards American-type, which is apparently regarded as the global standard. However, the reality is not that simple. It appears that way because American-style corporate governance is assumed as an ultimate model. It is necessary to form a ‘symbiotic’ governance which consists not only of stockholders, but also employees, local residents, consumers and business dealers (Kazama, 1996). The reasons are as follows:

(1) Even within the US, there is a rise in criticism of corporate governance exclusively by stockholders.

(2) The destruction of the global environment has reached such a point that it poses a direct threat to humanity. In the process of achieving environmental management, we cannot ignore the existence of other types of management such as those in Germany or Japan, and it is vitally necessary to foster measures that take the characteristics of a country or region into consideration (Sasaki, 1997; Suzuki, 1999).

(3) The characteristics of a country or particular region will also be taken into consideration in the form of realizing the humanization of labour in the workplace.

With the development of regional economic zones such as North America, EU and Asia, studies looking to elucidate the associated issues of ‘light and



darkness', 'prosperity and poverty' and 'development, evolution and stagnation' further gain in importance. Therefore, along with the study of American and German styles the significance of identifying a Japanese type gain in importance in the context of globalization and the IT revolution. However, this research approach, which until now has simply idealized the American model as a global standard or, conversely, has been confined to emphasizing or educing types by country, cannot be taken as an integrated study of historical and theoretical research.

Although the studies in the fourth approach have been restricted to individual fields of research such as theories of corporate governance, inter-corporate relations, human resource management, R&D and corporate information systems, within these boundaries they aim to develop mutual mediation of historical and theoretical research, that is they seek to create a general theory of individual management fields.

Quite a large number of management theories since the 1990s can be considered to have emerged from studies of Japanese management systems. In the past, theories of F. W. Taylor's scientific management, divisional organization structure, and management and organization strategy of multinational corporations grew and developed out of studies of American corporations. At the present time, dating from around 1990, many studies including lean production methods, re-engineering, knowledge management and supply-chain management have taken their cue from research on Japanese corporations. However, they are not studies of Japanese management itself. They do not, to say the least, form a 'mutual mediation of historical and theoretical research' (ie a general theory of Japanese business management) of the management of Japanese corporations. That is, even if they are finding that emerge from studies of the business management methods of Japanese corporations, they do not constitute a general theory of Japanese business management. Rather, they are notions that emerge from studies of what should be learned from the business management of Japanese corporations in order to enhance the competitiveness of American corporations. The approach remains strictly a method of management rationalization for American corporations.

This phenomenon is not limited to American corporations — or indeed to industrialized nations — but is a common type of study that advocates the positive utilization of managerial elements able to enhance competitiveness in any given country. Such studies may form a new research approach as a theory of the evolution of business management methods, based on international studies of business management methods.

In this way, corporations in various foreign countries study Japanese business management with the aim of enhancing their own competitiveness, and strive for the rationalization of their own management systems. This process may lead — and in part has already led — to the evolution of business



management methods. Yet even in this case most are general theories of individual fields, by no means constituting a general theory of business management as a mutual mediation of historical and theoretical research of each country. Nonetheless, we cannot deny the possibility of constructing a general theory of business management by unifying such general theories of individual fields with a certain principle of integration.

May a similar thing not also apply to the future prospects of the general theories of individual fields in Japan, such as theories on inter-corporate relations or organization? Consequently, the significance of the study of Japanese management lies not in finding specificity or the discovery of a Japan-type management phenomenon, but rather in the establishment of a general theory of management, by assimilating the results of management studies of each country. This might elucidate the ‘effectiveness’ as well as ‘limit’ of a general theory of each country, thus making a contribution to the study of management in general. Even if this aims to be a general theory of business management, insofar as it is conducted through studies on the business management of Japanese corporations, it may be called a ‘general theory of Japanese business management’.

Conclusion

As we move into the century, we are able to see how the approaches outlined above will develop both individually and as a whole. More specifically, we can expect that general theories of individual fields — such as theories of human resource management, production and information systems, plus theories of corporate governance, organization and environmental management — will become integrated, through the historical and theoretical study of Japanese corporations operating in international markets. Surveying the 21st century today means surveying the construction of a general theory of Japanese business management, while reviewing theories of Japanese management.

Nevertheless, in view of all that has been said, even if a general theory of business management may be formed through the mutual mediation of historical and theoretical research, in reality — assuming a continuation of subdivision and specialization in historical (positivist) research — the further historical research advances, the more difficult will be the formation of a general theory. Consequently, the problem lies in how general theories of individual fields may be integrated into a general theory of business management. Is there some principle by which the two may be integrated? We regard corporate ‘profitability’ to be such a principle, and it should be inherent in any general theory. It is, however, regulated by the interests of the various stakeholders of the company and thus has developed as a principle of



‘coordinated profitability’. Although corporate profitability is a criterion for the evaluation of corporate activities, the criterion itself may change through the process of the development of the enterprise and society. It is one that follows the development of the company and society itself (Mouri, 1973; Iwao, 1974). With continued subdivision and specialization of historical (positivist) research, it is this principle of coordinated profitability that will serve as a catalyst to integrate various general individual theories of management and create a general theory of management.

The development of management studies in the 21st century cannot be achieved without the development of historical and theoretical research in various individual fields of management. Also, the study of individual management fields can only develop more systematically when it is linked to a general theory of management. It is no easy matter to integrate research on individual fields of business management into a general theory of business management — it remains, however, an essential theme for us to pursue.

Notes

- 1 The significance of studies (ie historical research) focusing upon these individual fields of management should not of course be underestimated.
- 2 This may be considered as a general theory of business labour and its management, and industrial relations.
- 3 For the purpose of this paper, it is the American school of general theory of management.
- 4 For example, it is corporate management which loses Japanese specificity any longer as a result of the progress in its internationalization.

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