A Practice Approach to the Japanese Company: Loyalty, harmony and incentives

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Abstract

A number of books on the Japanese society published since the Sixties considered the Japanese collectiveness as the source of Japan's economic success. Drawing on the work of Pierre Bourdieu, the paper shows that harmony and loyalty in the large Japanese company, which they emphasised as symbols of the collectiveness, indicate only an ideological picture of Japanese society, and, in reality, employees consciously or unconsciously attempt to improve their positions in terms of accumulating symbolic capital in daily activities. The paper relies largely on the author's own experience in a large Japanese company between 1988 and 1990.

SECTION 1

1.1 Introduction

Since the Sixties there has been growing interest in Japanese society both within Japan and overseas. The main reason is apparently her remarkable economic success. Not only Westerners but also others, mainly other Asians, and even Japanese themselves, have
asked why Japan has succeeded so rapidly. Both in the Seventies and the Eighties a large number of books\(^1\) were published on Japanese success, most of which seem to be based on the same set of stereotyped assumptions. Firstly, they emphasised that the main factor which contributes to Japan's success is Japanese national character or Japanese culture. Secondly, they insisted that Japanese national character or Japanese culture is especially unique, and showed unique aspects of it in terms of Japanese words such as *giri, ninjo* or *amae*. Finally, they tended to conclude the uniqueness of the Japanese character as less individualistic or groupism. This literature on the Japanese or Japanese culture has often been referred to as *Nihonjinron* in Japanese.

Since the Eighties some doubts concerning *Nihonjinron* have been argued by a few foreign scholars.\(^2\) For example, Mouer and Sugimoto (1986: xxvii) wrote:

> Our scepticism was most pronounced with regard to theories arguing that, compared with westerners, Japanese were less individualistic, more group-oriented, more inclined to vertical or hierarchical relationships, and more desirous of consensus among persons or groups participating in a decision.

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2. For example, Mouer, Sugimoto, Befu and Woodiwiss.
They also pointed out as three major sources of scepticism, "contrary empirical evidence, methodological sloppiness and the presence of social (especially ideological) factors shaping the formation of the group model of Japanese society" (ibid.: xxviii). As these critiques are too fundamental to be neglected, an internationally understandable approach to Japanese society has been urgently required instead of these *Nihonjinron*. In order to clarify seemingly unique Japanese system of coping with the tension between individual and society, this paper will examine the ethos of Japanese businessmen, which is one of main themes in *Nihonjinron*, in terms of Pierre Bourdieu's concepts of strategy and habitus.

As soon as the youth become businessmen after graduating from university, they are said to be aggressively keen employees in Japan. Although the youth did not attend many lectures, but drank at bars with friends almost every night at their university days, once they get positions in companies, they get up early morning and work hard in co-operation with colleagues until late at night. They are suddenly looked upon as perfect members of society, and behave in the suitable ways.

Although it can be admitted that the Japanese management system largely depends upon human relations, it is a big mistake to think that employees act with no regard to effectiveness or merit in a Japanese company. Clark (1979: 6) emphasised:

*If company life in Japan appears strange to Westerners it is not so much because people are thinking in an impenetrably Japanese way but because the context for their behaviour, the organisation of Japanese industry, is unfamiliar to us.*

If so, where does employee's loyalty to the company come from in the Japanese company? What is harmony in the working group? Why does the employee work hard for the company at the sacrifice of his own leisure, or even with living alone apart from his family?
In order to grasp the reality of complex societies such as Japanese society, a more action based approach seems to be helpful. A theoretical shift from the view of the world as ordered by rules and norms to the perspective of individual choice and decision-making contributes to comprehension of Japanese society. Structural settings condition agents' action, but do not determine their action. Important is what agents want and how they can get it practically. In this paper I will first discuss doubts concerning Nihonjinron. Then a short discussion of strategy and habitus in Bourdieu's theory will follow. In the next section, I will examine practices of Japanese businessmen, relying largely on my own experience. Finally, some conclusions will be drawn.

1.2 Doubts Concerning Nihonjinron

As some scholars have pointed out over the last decade, the series of Nihonjinron seem to involve methodological problems. One of them is their holistic approach to Japanese studies. Smith (1983: 91) questioned:

*Is there no diversity and variability, then? As a matter of fact, both are readily observable in Japanese society and behaviour, and to ignore them is to misrepresent characteristic of life in that country.*

Some scholars would propose, in an academic context, the fact that the patterns of Japanese culture or Japanese way of thinking should not be argued holistically with no regard to history, region and strata. Mouer and Sugimoto (1982: 72) insisted:

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3. I worked for a Japanese company in Tokyo from 1988 to 1990. In this paper I call it Oak Corporation. Oak is a dominant company in miscellaneous products, and has about 7000 employees.
There is social inequality in Japanese society, and individual’s rewards such as income, power, information and status are determined by his job, age, sex, education, the place of his residence or the scale of the company for which he works. The position which each individual takes among these categories also respectively determines his world view or style of action.

Nihonjinron often collect disorganised data from fragmented episodes in various groups and utilise them to support their ideas. Arguments about a social group in Japanese society should not be grounded on cases of the other social groups. Nihonjinron cannot be directed to the study of the Japanese as a whole.

Another problem is, as some scholars argue, that Nihonjinron has been controlled by ideological factors. Woodiwiss (1992: 7) emphasised:

*my suggestion is that the idea of Japan’s uniqueness persists in certain quarters of Japanese academia because it is part of the bedrock of Japanese nationalism. ...the idea of Japan’s uniqueness will retain its place as a central term in the vocabulary that the society’s members have available for understanding themselves.*

When we consider the fact that Nihonjinron is utilised as a powerful arm in war of protectionism against the United States, the importance of Nihonjinron as ideology can hardly be denied.5

In order to avoid the same kinds of problems as Nihonjinron, my framework in this paper should be clearly determined here. The

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4. For example, Befu, Sugimoto or Woodiwiss.
5. Mouer and Sugimoto (1982) pointed out as common characteristics of Nihonjinron scholars the fact that most of them are professors of Tokyo University, and closely related to the government, and their books were published by two specific publishers.
main aim of this paper is to reexamine the meanings of 'collectivism' or 'groupism' which *Nihonjinron* emphasise. What is 'collectivism'? It can be said that 'collectivism' or 'groupism' means "in the relationship between the individual and the group, the interests of the group are prior to the interests of the individual"\(^6\). In other words, it means that each member of a group commits oneself to the group. Then, is the Japanese peculiarly group-oriented? My assumption is that the Japanese does not lack self-assertion or self-identity, but express himself in highly elaborate way. Smith (1983: 89) pointed out:

> *It seems to me that the Japanese possess a very clear sense of self, although it differs from our own, and that they regularly behave as though persons are indeed individuals. Western observers are often blinded by our inability to perceive the locus of the self in Japan, and by our unwillingness to accept the low priority given its expression.*

This paper tries to recognise the locus of the self in Japan.

Moreover, in this paper I will concentrate on the Japanese company or business society, which is not a closed system and is connected with other spheres. The Japanese company has been one of major objects of *Nihonjinron*, which has often reduced Japanese management systems to Japanese culture. According to them, any systems of the Japanese company are based on "a co-operative or corporate ideology"\(^7\). Thus, the Japanese management systems reflect their psychological dispositions or common tendencies of actions. Nevertheless, it has no meaning to describe characteristics of the Japanese company as specifically 'Japanese'. In addition, Japanese companies involve a number of versions, which can not

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6. Honma et al. (1979: 94), Mouer and Sugimoto (ibid.: 7).
be reduced to a uniform model. Employees' motivations may vary according to the attribute of the company. Lifetime employment and promotion by age and merit, which Nihonjinron regards as specifically "Japanese", apply to no more than 20% of employees. It should be remembered that this paper will treat the employees in the large Japanese company, but not the Japanese society as a whole.

1.3 Strategy and habitus

In modern sociology there has been oscillation between a subjectivistic or phenomenological approach and an objectivistic or structuralistic approach. Bourdieu's concepts, such as practice, strategy and habitus are theoretical apparatuses to overcome both subjectivistic sociology and structuralism. In this section I will summarise the main points of these concepts, following Outline of a Theory of Practice (Bourdieu 1977).

Opposing structuralists which regard an agent of event as the supplementary factor of structure and tend to ignore the agent himself, Bourdieu attempts to reintroduce the agent. Bourdieu seeks to show agents' active intention and inventiveness in practice in terms of introducing the notion of strategy, which is aimed at breaking from both subjectivistic approach and Levi-Straussian approach which do not clarify the real causes or the real reasons of practices. For Bourdieu, strategies mean motivations which are aimed at the maximisation of material or symbolic gain, which serve as means by which the agents can improve their social positions, within the context of their cultural and historical situations. Bourdieu adds that those strategies are always accompanied by second-order strategies whose purpose is to meet requirements of the official rule and through which the agent seeks to put himself in the right.

How are actions regulated if, as Bourdieu demonstrates, they are not the product of obedience to rules? In order to explain this, Bourdieu introduced the notion of habitus, which he defined as a system of durable, transposable dispositions, which functions as the generative basis of structured, objectively unified practices. According to Bourdieu, habitus is produced by 'the structures constitutive of a particular type of environment, for example, the material conditions of existence characteristic of a class condition' (Bourdieu 1977: 72). Moreover, habitus is "structured structures predisposed to function as structuring structure, that is, as principles of the generation and structuring of practices and representations which can be objectively 'regulated' and 'regular' without in any way being the product of obedience to rules" (ibid.: 72). The notion of habitus allows us to comprehend the relationship between the strategies of agents and perceived patterns of behaviour, and how structures come to be actualised. According to Bourdieu, in many cases agents unconsciously act in ways which can be objectively observed to be suitable to the strategy and, even if an agent is conscious of the strategy, what the agent is conscious of may be considerably different from what the observer analyses structurally. Habitus which is embodied into each agent functions as the principle of causing an individual agent's practices, which are objectively sensible and reasonable without either explicit reason or signifying intent.

Thus, Bourdieu's method demonstrates a dialectical relationship between agents and structure, the structured dispositions within which those structures are actualised and which tend to reproduce them and the objective structures to which the objectivist mode of knowledge gives access.
SECTION 2

2.1 The setting

Although there is a general tendency that the individual is connected with his company at the much closer extent than the other groups with which he contacts, companies vary enormously according to the size, the type of business, and the qualities of employees. These elements may roughly determine the relationship between the employee and the company. It can be said that the "size of enterprise can stand as a rough proxy measure of prestige, monopoly power, and profitability". Clark (1979: 64) more accurately called this tendency industrial gradation.

significant tendency to be observed in the Japanese company is a correlation between the size of a company and its productivity, the level of wages it pays, the number of university graduates it employs, the stability of its labour force, the rate of interest charged on its loans, and a number of other measures of the firm's quality. The bigger a company the better its quality, and the smaller the worse.

There not only exists a big gap between the capital and the scale of large firms and that of medium or small firms, but large and smaller firms are also hierarchically connected with each other, and often have the relation between the ruler and the subordinate.

In large firms nearly all the employees will be immobile. Dore and Sako (1989: 77) wrote:

10. It is often called keiretsu. The relation between Toyota and its subcontractor is a famous example.
Over the labour market as a whole, something like 40 per cent of new recruits leave within three years of entering their first job, but this proportion is a good deal smaller among the employees of large firms, ... and very much smaller yet for university graduates.

Although, "the 10 million-plus in the large-firm and public sector are by no means a majority of the Japanese work-force"\textsuperscript{11}, the large firms have controlled Japan's economy, and have been the driving force of Japan's success. An employee feels a belonging to the large firm rather than doing a job. When somebody gets a job in his final year at university, he is naturally asked what firm he joins. He may proudly reply Toyota or Sony. To some extent, the pride and the stability of living which he gains in terms of belonging to the large firm may strengthen his immobility and loyalty to the large firm.

On the contrary, in small firms a high proportion of the work force is likely to be mobile. Small firms pay low wages, are insecure, and confer no prestige. "One would expect that relations between companies and employees in these firms would tend to be ... casual and contractual"\textsuperscript{12}. Lifetime employment is regarded as ideal in small firms, but is not fully offered by small firms. Many of the younger and less educated workers and young women easily leave their firms.

Lifetime employment is enjoyed only by male full-time employees in large companies, and the enterprise system in Japan consists of double structures, the core of male full-time employees and the periphery of temporary employees.

\textsuperscript{11} Dore and Sako (1989: 76).
\textsuperscript{12} Smith (1983: 212).
2.2 Lifetime Employment

Lifetime employment is regarded as a main feature of the Japanese management system. It implies that "company employees should or may - or even actually do - stay with their companies for life, entering them from school or university and remaining with them until they retire"\(^{13}\). Lifetime employment secures employee's living and satisfies their primary needs. Since the relationship between the employee and his company is not temporary but stable in the long term, the employee is supposed to be unified to his company. Without any emerging case such as bankruptcy, the company\(^{14}\) promises not to dismiss the employees.

Most Japanese companies are organised in the same way, which is quite similar to other countries' structures. The company consists of a number of functional divisions and sub-divisions, which vary according to the nature of the business. For example, in Oak\(^ {15}\) there were four sections, sales section, staff section, research and development section and production section.

"People are also assigned their places in a series of ranks. These ranks are so similar in companies of all sorts and size that I shall call them 'standard ranks'"\(^ {16}\). The main ranks are shacho (president), torishimariyaku (director), bucho (department head), and kacho (section head).\(^ {17}\) People are called by their ranks. At Oak the department head is called bucho or Suzuki bucho. In the office everybody knows who is bucho and who is kacho. His rank attaches

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14. I will mention only large firms from now on.
15. Oak is not a exceptional company but a good example. What can be said to Oak can be applied to most large Japanese companies to some extent.
16. Clark (ibid.: 104).
17. Among the same rank there are relatively higher ranks and lower ranks. For example, bucho in the head office is generally superior to bucho in the branch office.
to his person and not to his office. Not only members of Oak, but also customers and business connections of Oak use the same standard ranks of Oak for address. When bucho at Oak visits a customer, the customer not only calls him bucho but also treat him in an appropriate way suitable to bucho at Oak. The appropriate way is determined by the rank of the visitor and the rank of his company, in this case bucho as a senior manager and Oak as a leading company. Thus, people are labelled by their ranks and companies all the time and everywhere in the business world.

The allocation of wages in Japanese companies depends on a compromise between age-seniority and meritocracy, which is called nenkousei. Although age and ability are given different weight in different parts of the same company, as a rule, wages of an employee increase according to his age. At Oak, there were three components of wages, a length of service payment, a grade payment and a responsibility allowance. The grade payment was paid for employee's merit. The responsibility allowance was paid for the responsibility of his rank. An employee at Oak got the same salary as his colleagues with the same length of service until the age of 32. Afterwards the difference of their salaries increased gradually as the difference of their merits.

The reason why the Japanese company adopts Nenkousei is that it supports employees' living according to their families' life cycles, and brings up their abilities. The wages system presupposes lifetime employment, so leaving a company half-way disadvantages the employee. In other words, this is a kind of policy that a company prevents the employees from leaving, but, in general, there are few complaints against nenkousei.

How do university graduates join companies? In Japan, it is common that just after graduation the people join companies at

18. Nearly 40% of the age group graduate from two-year colleges or four-year universities in Japan (Dore and Sako 1989).
the beginning of April. The recruitment straight from college at the same time intensifies their competitive spirit and educates them systematically. The graduates are recruited in accordance with the company's long term planning, which may include the number of expected retirements, the structure of ages, or the accumulated tendency of business, without considering a particular graduate for a particular position. Graduates are generally classified into two large divisions by recruitment, technology division and sales and staff division, while every person is expected to work anywhere within the large division. Therefore, the main standards of recruitment are candidate's general intelligence, his physical strength, and his character, such as adaptability, co-operativeness, or positiveness. The last standard means the possibility that the candidate fits into the community of the company.\textsuperscript{19} His family background and his reputation at school or in his local community are investigated in detail, sometimes by a private detective, to look for his propriety. Not surprisingly, in many companies candidates who have kinship relations or connections are given priority.

It is obviously recognised that graduates from good universities have an advantage to join good companies. The graduates consider the nature of business, the social prestige or the future possibility of companies in detail, and choose companies for which they work in their life. A university which sends many graduates to good companies is said to be a good university. Conversely, good companies tend to prefer graduates from good universities in recruitment while appreciating the achievements that they passed the difficult entrance examinations. Some good companies define the candidates as only graduates from particular departments at particular excellent universities. So long as a candidate graduates from a good university, companies, except banks, tend to attach importance

\textsuperscript{19} One of advantages of the recruitment straight from college is that the candidate have no prejudice to what will be taught in the company.
to his career in sports clubs or extra-curricular activities rather than his grades at university, because the career is thought to show his ability of co-operativeness or eager deference. In recruitment, the companies presuppose re-education of their new employees after they join the companies.

After joining a company, an employee moves up to higher positions while passing lower positions to the younger employees in rotation. Some employees change their positions at particular dates, such as March 1 or September 1, by order of the personnel section every year. At Oak, it was customary that every employee changed his position about every three years.

The rotation has a number of meanings. Firstly, it contributes to work motivation, because an employee faces a new work environment and a new task, and has new opportunities of feeling the sense of achievement when a new skill is mastered. Secondly, when every employee knows the other's job, he can easily co-operate with the others and carry out his job more favourably. Thirdly, the rotation helps to avoid conflicts among employees. The creation of informal networks throughout the company helps to avoid the development of sectionalism. Moreover, conflicts between members of a section or between a superior and his subordinate can be prevented from developing into serious problems through rotation. Fourthly, the Japanese company maintains the flexibility of the organisation by rotation instead of dismissing and recruiting employees. For example, in many companies, extra employees in factories have recently become programmers. Filling a vacancy by rotation is inferior to by recruitment in employee's skill, but is much superior in employee's moral and adaptability to the working group. Finally, the rotation helps to educate an employee in managerial skills, because the manager is thought to be a generalist who knows a wide range of jobs in the Japanese company.

Career tracks are hardly predictable. By order of the personnel section, an employee must move to the north or the south,
or even to foreign countries. In general, an employee moves at rotation between the head office and the branch offices for several times in his life. In terms of the rotation he moves up gradually. It is common sense that employees should immediately transfer by order, and it helps the employee to accept the transfer when it accompanies a promotion. As a matter of fact, an employee cannot refuse his transfer. If he does, he will remain at a lower rank until his retirement.

New employees and mature employees who start new jobs by rotation are trained at the company for two purposes. The one is to instruct particular employees in required techniques for a specific job. The other is to implant value or doctrines in the community. Training at the company has had much more importance on the latter than on the former.

Education of thought at a company starts as soon as an employee joins the company. The employee continually learns the company's way of thinking in terms of regular training, a number of ceremonies, contacts with the other employees, or guidance of the superiors. It is ten years later that an employee is said to be a mature one who comprehends the company's way of thinking through training.

At Oak, first of all, all new employees stayed at a hotel in Tokyo for five days at the beginning of April. For the first two days they learn general knowledge about Oak, such as the number of employees, the place of factories, and the nature of business. At the third day the grand initiation ritual was held at a famous hall at the centre of Tokyo. In this ritual, all directors, including the president, were introduced to the new entrants, and each director made a speech for an hour. The contents of their speeches varied to some extent, but all the speeches had some common characteristics. Firstly, all directors chose one of themes which the president had mentioned. In other words, the other directors explained in detail what the president had commented. Secondly, their speeches were
philosophical or ideological. The directors spoke on what the employee is, what the company is, or how people can do something for society through the company. Finally, every directors repeated the same sentences, which are the idea of Oak, 'Clean nations will thrive.'20, 'Oak serves society in toiletry industry.', and 'Oak thrives with its customers.' For the last two days new employees visited a factory and the head office in Tokyo.

After that, the new employees went to Tochigi, which is on the outskirts of Tokyo, and stayed in a hotel for five days. In the morning they saw a number of videos on Oak, which showed how great Oak was, and took lectures about the history of Oak, its organisation, and how an Oak man should behave. In the afternoon, they were divided into groups of six or seven people each to have discussions. The subjects of discussions were not so important, such as what kind of tools we would bring if we travel in outer space, but they were expected to learn how to find conclusions in a group or how to co-operate with other members. At the end of this programme, the new employees had homework to read two books. They were a book on history of Oak and a one on how to persuade others without conflicts. The former is a published paperback written by a popular author as a sensational success story of Oak and the president.

Then, the technology division and the sales and staff division separately had education for about three months. In the sales and staff division, the new employees had practical training in factories, sales department in the head office, and subsidiary sales companies. The aim of this practical training was not to learn any skill but to know the structure of Oak and its atmosphere. This was the longest training in the Oak's life. After the new employees got jobs at the beginning of July, they have had one week regular training and some irregular training every year.

20. A number of Oak's products are related to cleanliness.
Thus, the main aim of training is to strengthen loyalty to the company and to teach the company's philosophy. A large company is keen to recruit graduates who have great ability to accept what the company teaches, to give them training of thought, and to employ them until their retirement. However, does a graduate so easily become the servant of the company? Twenty-three-year-old adults will never be so loyal to the company just after three months training. In the next section, I will examine how the company attempts to construct the loyalty and the philosophy more practically.

2.3 Loyalty

There are in a Japanese company a number of apparatuses which are aimed at constructing a moral community in the whole company. The employee is expected to spend not only the business hours but also the leisure hours with other members of the company. At the same time, the employee expects the company to be something more than a mere business corporation, and enjoys a sense of stability under the patronage of the company.

Many employees, or more accurately, many people who belong to Japanese companies, have no social situations besides their companies, and almost all events of their lives tend to be completed within the companies. Many employees ask for his colleagues' advice about his private life. Young employees often marry women working for the same company. For an employee, his house tends to become the mere place where he has meals and sleeps in bed. He has little opportunity of getting acquainted with anybody outside his business. As a result, the employee's interest in the world outside the company is gradually lost, whereas his interest in the community of his company is intensified.

Moreover, most employees have left their home town and stay in unknown cities with no acquaintance for the sake of the job. In Japanese cities people generally have little chance of making new human relations, so the strangers to the local community are
likely to contact with only their colleagues. Besides, an employee works hard until late night with no time to spend on his private interests, and has several transfers in his life, so he would lose his connections which he had before. Furthermore, many employees live in company's dormitories or houses, and living together helps employees to know each other very thoroughly. They talk about their company and private matters at home, and go to cinema and drink together on the few holidays. Consequently, employee's social activities are concentrated on his company.

Ritual is another apparatus to construct the community in the Japanese company. At the sales department of Oak, the members participated in several rituals of the company. The largest ritual was the sales conference which was held by about 1000 employees in a famous assembly hall twice a year. Here, members had to wear business dress neatly with Oak's badge. The formality of the hall also strengthened the speciality or sacredness of the ritual and what was spoken on the stage. In the sales conference, some directors made speeches on the recent business circumstances and the future, but the main aim of the speeches was to prevail the Oak's way of thinking, which means how the member should behave, what the member should concentrate on in daily activities, and how the member should improve his circumstances. Most Oak's employees have little chance of seeing their directors, and especially seeing all of them at once. In short, they were *kumo no ue no hito* (persons who are in the clouds). Therefore, what the directors said in the ritual became divine messages.

Some properties are also utilised in order to produce an attachment to the company. Almost all employees bring the company's pocket notebook, and look at the company's calendars at home every day. The design mark and doctrines of the company are printed on the cover of the notebook and every page of the calendars. The company's badge is more important as a symbol. In every official opportunity the employee is obligated to wear it, and if he loses his
badge, he must hand in a written apology to the personnel section. Wearing company's badge symbolises the fact that a person belongs to the company. A member of the company is easily recognised by the badge, wherever he is. Also, books which tell success stories of the company or the president and periodicals which introduce the directors' talks, recent episodes in the company, or the success stories of new products, contribute to prevalence of the company's ideology. These stories may be said to be the myths of the company.

Moreover, the company offers various spheres of facilities and systems. They include company's houses, clinics, rest homes, stores, dining rooms, recreation facilities, hobby clubs, sports clubs, a number of loan systems, funds, family allowance, marriage allowance, commutation allowance, recreation trips, athletic meets, and so on. In short, the company tends to offer all sorts of material and psychological necessaries throughout all the employee's life. The company's apparatus to strengthen the loyalty are extended to employee's private life and his family. The remarkable point is that all members of a company, regardless of rank, have equal opportunities of using all the company's facilities and systems, and are treated there in the same way. This denial of class difference contributes to the construction of the sense of unification in the company.

Another unifying force is the feeling that all the members of a company are fighting together against rival companies. The company gives the employees information which helps to incite the sense of rivalry. At meetings, managers always report the recent sales information of rival companies, and stress the crisis of the company and the necessity for the unity.

The company has their own philosophy and doctrines or slogans based on the philosophy. The philosophy of many companies are not so different, and generally contains three main points. Firstly,
the company should serve society, and avoid pursuing only profits. Secondly, the company never develops without employees' cooperation. Finally, the company should be relied on in society. This philosophy helps the employees to admit the social prestige of the company, and the legitimacy of the company's activities. In other words, the prosperity of society, the development of the company, and the happiness of the employees are regarded as the unified in the philosophy.

The president himself strengthens employee's loyalty to the company. Many presidents play such ideal characters that the employees admire. In particular, a president who founded or rapidly developed his company is often spiritually influential. He often has his original world views, and is above the world to some extent. In a company which has this type of president employees tend to believe that they will never make a mistake if they obey the president, for the president has mysterious power for success. The charisma is the essential nature of the president in Japanese companies.

These apparatuses which I demonstrated can be incentives to community. In the company, an employee admits the social prestige of the company, has close relationship with the other members, is satisfied with a number of his wants, and share company's philosophy with many other members. As a result of it, the employee is unified to the company, depends on the company in many spheres, and has a loyalty to the company to a certain extent.

However, the company is not a informal community. The relationship in the company is based on functional roles and interests, and there always exists some tension within the relationship. If an employee resigns from the company, the relationship which he had in the company will be totally lost. The apparatus which I demonstrated here are management systems of the company, and do not directly lead any action or individual choice in the company.
Although some Nihonjinron scholars regarded a recreation trip as a symbol of groupism in the company, they misunderstood the reality that the recreation trip is a management system of the company. Of course, although, on condition that officially it is each employee that decides whether he participates in it or not, all members of employees participate in the recreation trip, it is the reality that they reluctantly have no choice but to participate in it. In the next section, I will examine why this happens.

2.4 Harmony

The company can be compared to a group of organs. The most important norm in the organ is harmony, and the organ has a rejection reaction to a cell which violates harmony. It is the small working group that Nihonjinron regarded as the symbol of the Japanese harmony. They assumed that a member of the working group shares a devotion to the success of the common effort and respect for one another as partners in the company.\(^{21}\) Does harmony really exist in the company? What is harmony in the company?

A Japanese company seeks to improve its business by the small working group. All the members share the responsibility for the whole task assigned to the group. A member of the company is conscious of the responsibility for his working group rather than for the whole company. Although, according to the situation, the section head\(^{22}\) charges each member with a particular task, each individual responsibility of the members is not clear. Their responsibilities are often overlapped, and there exist grey areas for which nobody seems to be responsible. The member is expected, if necessary, to support the other members while suspending his own work. For example, suppose that five members in a section are respectively


\(^{22}\) The small working group is, in many cases, a section. The department head or the director controls his subordinates by the section.
engaged in five kinds of work. If one of them takes a day off, the other four members voluntarily will co-operate with each other in order to cover the share of the absent member without any order. This is true as a phenomenon, and Nihonjinron regarded it as the Japanese collectivism. However, they did not comprehend the reality of it. Before agreeing with each share of the four, each of the members must have struggled for minimising his share without explicit arguments. A senior member is likely to compel a junior to take a larger portion of the share of the absent member. In this case, it often happens that the youngest member of the four alone will cover it. Here exists the joint responsibility as a norm, but each member generally looks after only the share which he considers as his duty. Although the share of a member is flexible and changeable according to the situation, the member himself defines his duty clearly while considering the situation. Every employee is not glad to help his colleagues in the small working group, he attempts to maximise his gain and minimise his loss.

The vagueness of the individual responsibility implies that each employee can tackle his job freely to some extent, as long as the employee achieves his minimal duty, because his job is defined only as a guide-line. On the one hand, a more able member takes more responsibility and more important work than other members who get the same wages. The reason why the able member hardly complain of it is that he is satisfied with the fact that his superiors may appreciate his ability, expecting to get a promotion. On the other hand, in a group there may be an incompetent or lazy member, who gives his colleagues extra work. The member who violates the reciprocal relationship is subjected to substantial informal sanctions. Thus, the member in the working group is indirectly and structurally required or obliged to help one another. The more an employee contribute to his group, the more he is valued.

For example, at Oak, many new employees wondered whether they could go home at five o'clock while their superiors were engaged
in their work. Then the new employees killed their time in the office until their superiors went home or ordered them to leave the office. Since all the members of a section are responsible for the whole task of the section under joint responsibility, the member who does not act for the other members when it is required will be informally blamed and gradually alienated in or outside the group.

The leader in the working group is required to have interpersonal skills. He is responsible for the maintenance of good human relations in the group, and is expected to look after his subordinates even in their personal problems. Many employees prefer a boss who shows his concern for his subordinates and their personal problems but sometimes demands more than he is entitled to, to a boss who abides strictly by the work rules and never asks for more, but does not take any interest in his subordinates as people.

Most companies allocate money for bosses so that they can take their subordinates to restaurants or bars. Going somewhere outside the office mainly for fun with the colleagues off duty is called tsukiai. The purpose of the tsukiai is not only to relax but also to maintain the good human relations in the group in terms of the fact that the colleagues have meals together. The tsukiai is an indispensable technique designed to operate the group smoothly.

How are decisions made under the joint responsibility? Although the employee is assigned responsibility for a part of the company's business, but the extent which he is permitted to make decisions independently is quite limited. There are two formal decision-making systems, where all the relevant members are supposed to join the decision-making, both of which Nihonjinron mistakenly considered as the evidence of collectivism.

A number of meetings aimed at decision-making are said to be held in the company. At many meetings, in fact, decisions are made, but nothing is discussed essentially. In short, all the members
are ready to agree with any proposal at the meeting. Any member should never make objections to the proposal in public. Even if the proposal with which a member disagrees in his mind is ready to be decided in the department meeting, he must agree with the decision or keep quiet when the department head seemingly approves of it, for most proposals at the meeting are already decided by the department head beforehand. The opposition had to change the department head's decision before the meeting. Any decision-making is not done at the meeting substantially.

Another formal decision-making system is ringi system, which is that a series of superior managers in turn approve of the proposal which the subordinate drew up, other managers related to the proposal and the final decision-maker, generally a director, approves it, then the proposal is formally accepted. All important proposals in the company are decided through the ringi system. Once a decision is made through the ringi system, nobody can complain about it, and every member is obligated to what the ringi paper claims. The ringi system seems to be inefficient at first sight, but it takes no time, because the ringi is also not used to make the decision, but rather provide a record of the decision made by the boss. The subordinate just writes down what the superiors decided. The ringi is, in decision-making, mere a institutional or formal system, for main members related to the proposal are already consulted informally in advance, which is the essence of the decision-making in the company.

This practice of laying the groundwork for obtaining one's objective is called nemawashi in Japanese. It is after the nemawashi is completed that the formal meeting is held or the ringi paper is written. The person in charge of an affair should negotiate all the relevant parties in advance, and, if conflict exists, find out the compromise before the formal decision-making. Yamada (1985: 144) wrote about main points of the successful nemawashi:
1. You should obtain the complete support of your direct boss for the proposal.

2. You should obtain the support of the person who has the final responsibility for the proposal through your direct boss.

3. You should draw up the proper proposal paper.

4. You should show enough ability to attract the relevant influential persons and make a name for yourself so that other colleagues may pay attention to you in daily activities.

5. You should obtain the support of the relevant parties.

6. You should patiently persuade persons who are suspicious of the proposal.

Most decisions are substantially made through informal communication before the formal action, and the point is to obtain the support of the relevant managers. Therefore, the employee is required in his daily activities to have good relationships with the relevant colleagues, in particular, the influential persons.

In considering the human relations or politics within the company, the most important factor is the rank in the company, which roughly shows the powerfulness in the company. Without the awareness of the rank, any transaction between employees can not be arranged, whereas the rank contributes to stabilise the transaction in the company. The hierarchical ranking permeates personal interactions even outside the company. In the hierarchical ranking, the relationship between the superior who orders and the subordinate who is ordered must be identical with the relationship between the person respected and the person respecting. The employee should treat his colleagues who joined the company even just one year earlier than himself respectfully as his superiors. Everyone knows relative ranks in the company, and some appropriate arrangements should be done in any communicative event. For example, *keigo* (respect language) must be used toward the superiors, and at a meeting, seats of the participants should be arranged in
the correct order according to relative ranks. These arrangements allow employees to minimise the political struggle and to concentrate on their tasks. Employees are very sensitive to the hierarchical relations, and if the subordinate fails to show his obedience or respect to the superior, the superior will be absorbed in making symbolic actions aimed at displaying his rank or powerfulness. Therefore, when an employee expresses his idea, he cannot say anything without considering his relative rank and the political situation at the meeting.

Employees should accept the order of the superiors or the company. However, where does the authority come from? Why do the subordinates obey the superiors even outside the company? It seems to be mainly because the people actually gain from submission to authority. They consciously or unconsciously expect to do well if they show themselves obedient. Conversely, if people refuse the order, they will lose their trust, be labelled as uncooperative, and be informally alienated. Displaying obedience is a strategy to survive in the political struggle. Once the subordinate shows obedience to the superior, in many cases the superior will give useful information to the subordinate with pleasure.

The human relations take a crucial role in the decision-making. In the political struggle, the symbolic capital which the relevant members have predominantly affected the decision-making. Symbolic capital is defined as 'honour in the sense of reputation and prestige'\(^{23}\), or 'credit, in the widest sense of the word'\(^{24}\), 'endowed with a specifically symbolic efficacy, only when it is misrecognised in its arbitrary truth as capital and recognised as legitimate'\(^{25}\). Moreover, Bourdieu (1990b:121) wrote:

\(^{23}\) Bourdieu (1990a : 22).
\(^{24}\) Bourdieu (1977: 181).
\(^{25}\) Bourdieu (1990a: 112).
a family has a vital interest in keeping its capital of honour, its credit of honourability, safe from suspicion. The hypersensitivity to the slightest slur or innuendo, and the multiplicity of strategies designed to belie or avert them, can be explained by the fact that symbolic capital is less easily measured and counted than land or livestock, and that the group, ultimately the only source of credit, will readily withdraw it and direct its suspicions at even the strongest, as if, in matters of honour, as in land, one man's wealth made others that much poorer.

This can apply to the political struggle in the Japanese company. Each employee seeks for the accumulation of symbolic capital, for the symbolic capital helps to do business well and get the higher rank, and finally, the symbolic capital can be converted to economic capital as wages.

The informal network based on trust or credit is employee's important property in the company. Nobody can do work and produce achievements by himself. Although the superior tends to regard the subordinate as a tool, whereas the subordinate tends to regard the superior as a means, the communication never succeeds unless the two have a good relationship through daily activities. Here, there can be mutual dependence between the superior and the subordinate, for the subordinate expects that the superior will protect him, whereas the superior must rely on the subordinate to do business well. Thus, each person gradually constructs his own informal network.

While experiencing various jobs by rotation, the new employee creates the informal relationships with other colleagues, and while constructing the network of information, he learns the political situations of the company. To construct the informal network, the tsukiai is the most effective means. He can get various information in the bar, which he can hardly get in the office. Consequently, when the employee faces any task in the struggle, he knows who
gives him good advice, who is reliable, and who he should not trust. At the same time, he will be involved in a faction in the company.

Surely, harmony is one of the most important values in the company, but not the motivation of individual action. People are required to maintain the superficial good relations in terms of controlling self-assertion and negotiating. On the contrary, if people keep harmony, they can do anything freely to a certain extent.

For example, there was an able section head at Oak. He was five years younger but actually had more symbolic capital than his boss, the department head. This was because the section head had extraordinary achievement before and a close relationship with the senior managing director. In fact, the section head substantially controlled the department head, and consequently manoeuvred the other section heads in the same department and their subordinates through the department head. Although the section head did his business in his own way freely, he superficially respected the department head, and sometimes let him have the credit for the success of the department. The section head hardly argued with the department head, because, when the department head asked his opinions, he was likely to reply what the department head would be pleased with, while still not flattering. Then, when the section head guessed that the department head would oppose the proposal, the section head, while attaching importance to the department head's opinion, gave information in terms of which the department head would agree with the proposal little by little before his decision-making. As a result, although the department head himself thought that he always made decision by himself, he was manoeuvred skilfully by the section head. Since the section head actually did more than he was entitled to but kept harmony, he was not blamed but respected.

Where does a person learn how to survive in the political struggle while maintaining harmony? Children are trained not to be made a fool of, not to be excluded because of the self-assertion,
and not to give others trouble. In elementary school, everything is done by the group. Six members solve a number of problems in the group discussion, and go on a picnic together, and remember tables in co-operation with one another. At lunch the group serve meals together, and after school they clean their room together. The group has a leader, but he is just a chairman under joint responsibility. Teachers emphasise the necessity of the co-operativeness and harmony in the group and the whole class. Smith (1983: 45) wrote:

*Reciprocity in human relations is a value taught to children from an early age, and much of the definition of a good person involves restraint in the expression of personal desires and opinions, empathy for the feelings and situation of others, and the practice of civility. Children are also taught that negative sanctions are likely to follow quickly upon behaviours that violate this value, which is reflected throughout the structure of interpersonal and social relations.*

Children know the horror of the isolation, and the effect of letting others be isolated. Therefore, they always pay attention to whether their actions are too self-assertive or whether they are left out of the group. If a child is dragged down in the group, he will be left alone, and if a child is distinguished in ability in the group, he will lose close friends.

Dore and Sako (1989: 11) wrote:

*It prepares people not only to accept as natural, but also to get comfort from, the pattern of co-operative effort, constant consultation, group responsibility and group sharing in achievement which seem to contribute to the efficiency of Japanese enterprises and to sustain their character as learning organisms.*

However, what children learn in the school is not only the value of harmony, but also the habitus to survive in the struggle.
For example, there is the intense entrance competition at the end of junior high school and high school. Here, the teachers attempt to maintain the harmony within the class or the school, and to persuade the students to regard strangers as their competitors, but the students know that they are evaluated in comparison with the classmates, so their direct competitors are not strangers but the other members in the same class or school. Nevertheless, many students manage to maintain superficial harmony participating in the competition, in terms of showing their indifference or laziness to the competition while pretending not to study hard in front of competitors.

2.5 Incentives

Here, we should reconsider the meaning of lifetime employment and nenkousei. The employee works for the company until his retirement, and gains more in both economic capital and symbolic capital, as he stays in the company longer. If someone leaves the company halfway, he will have crucial disadvantages in his life. No one generally wants to leave the company after ten years' service. Having no way of escape, the employee is firmly placed in the company.

Although employees are treated equally during the first several years, the competition among the employees intensifies gradually. Since most employees do not specialise in any sphere, any two of them within approximately a five year range can be competitors. Of course, superficial harmony is maintained among the competitors, but they are always trying to read each other's thoughts. An employee cannot ignore even a little difference between employees who joined the company at the same year in rank or wages, for the employee can admit that the senior gets the higher rank in terms of conceiving that he gets the rank by age, but he supposes that the difference between employees who joined the company at the same year is a substantial difference judged by merit, and the difference will gradually expand later. In fact, once an employee
drops behind the other employees who joined the company at the same year in promotion, he can hardly catch up with them.

The competition is especially intensified among middle managers. The company constitutes the pyramidal hierarchy, and the number of ranks is reduced in the higher ranks. If an employee survives in this level of struggle, he will get a promotion to the small number of the director's ranks. Here, the survival largely depends not upon the age but upon the symbolic capital, what the person has achieved and what kind of informal network he has.

This system helps to persuade employees to participate in the fierce competition for promotion almost all their life. If an employee hears that a colleague who joined the company at the same year gets higher rank or more wage than himself, the employee, without giving up, will assume that the difference is still small, and he should work harder in order to catch up with the colleague. In fact, it is possible. Thus, among the employees who joined the company at the same year, some are satisfied with their success while others suffer from their lack of success. Employees work hard while looking at a number of both successful and failed seniors.

Although the employee rated high by the superior has the great possibility of moving up the higher rank, transferring to his expecting job, and getting a higher bonus, what is the standard for judgement in efficiency rating? Generally, the efficiency rating is done for all employees every year, but an employee does not know what the standard is. It is unclear and largely depends on the person judging. However, it can be said that the superior judges the subordinates by synthesising the accumulation of achievements and the personality or behaviour, which includes the collectiveness, the earnest devotion to duty, the attitude toward the superiors, or other spheres of daily activities in the office or the tsukiai. In order to be rated high, the person is required not only to show his ability in business but also to maintain good human relations, to show his reliability, and to be regarded as a person of importance in daily
activities. In particular, large companies tend to attach more importance to employee's behaviour, because there is no remarkable difference of ability between the elites.

The efficiency rating system contributes to the control of the employee's behaviour. Nobody knows which is crucial among those standards. Some may get promotion by age or ability, whereas others mainly by nepotism or connections. The most able man does not always get promotions quickly. What an employee can do is just to do his best in every sphere of daily activities. This is the primary reason why the employee maintains harmony, covers the share of the absent colleague, voluntarily participates in the Quality Control circle, does not refuse *tsukiai*, and works extremely hard at the sacrifice of his leisure time.

Employees generally accept this efficiency rating system because of their view of ability. As Iwata (1985: 102) pointed out, in Japanese society "the ability is regarded not as the nature which is referred to a particular sphere of activity, but as the vague general nature". People tend to neglect separate aspects of the ability in various spheres, and believe the fiction that the people who do well in a particular area can do well in other areas. Then, ability is often mistaken as the quality of the person. This view of ability is almost consistent with the efficiency rating system.

Although this view of ability spread throughout the Japanese society, the ability itself is vague and not easily understandable in nature. Instead, people regard the prestige of the company as the index of ability in Japanese society. The social prestige of the company largely depends upon the sales or the share in the market. Therefore, the expansion of the sales enhances both the social prestige of the company and the employees' social position. In short, employees share the fate of their company to a great extent, so, when the company faces the crisis, they work hard and accept the reduction of wages in order to defend the company.
Nakane (1967: 30), a famous Nihonjinron scholar pointed out: 

*Ba (the field), which is the framework of the company or the university, takes a great role of considering the structure of group or recognising the group in society, and shikaku (the capacity) which the individual has is regarded as a secondary problem.*

Nakane pointed out the only one side of the reality from the objectivistic point of view. She examined only the phenomenon from the outside, and never asked why the individual is keen on the prestige of the company. The difference of social prestige between the *kacho* (section head) in a large company and the *kacho* in a small company is much greater than the one between the *kacho* and the *bucho* (a department head) in a company. The accountants' section head can become the sales department head by rotation within a company, whereas the accountants' section head in small Fuji supermarket can never become the accountants' section head in great Toyota.

Then, how do people learn the view of ability? Why do people regard the prestige of the company as the index of the ability? It is schools that allow people to learn the views of both ability and social position.

As regards these views, there are four main characteristics in the Japanese education system. Firstly, the high priority of learning is largely accepted under the Confucian tradition in Japanese society. Even in the elementary school, many students study hard while attending the private extra schools in order to enter better universities in the future. At home, the families prepare the best study conditions for children, and allows them to concentrate on the study. Secondly, in the Japanese education system, all students generally take the uniform curriculum until the end of high school. Every student must study major five subjects, Japanese, English, Mathematics, Science, and Social Science, and is judged by the summary of scores in these five subjects. Thirdly, every student gets the standard-deviation scores in the five subjects,
and is judged by the average standard-deviation of all the five subjects. It means that the student is labelled as a given number between 25 and 75 on the same condition. The quality of person is often reduced to the standard-deviation score in schools, and it determines even the self-image of the student. Finally, all the same age students are classified into the same ability groups by two entrance examination at the age of 15 and 18. In the high school entrance examination, the same age students are ordered by the average standard-deviation scores in the five major subjects, and the high scorer systematically enters a good class of high school. High schools are ranked by how many students enter good universities, because the final goal of students is to enter a good university. People know that better high schools send many students to better universities, and students at worse high schools have great difficulty in passing the entrance examinations at good universities.

The academic career is recognised as invaluable symbolic capital in Japanese society. The social position or the quality of the university student is estimated by the prestige of his university. Students at good universities are praised as winners of the competition for life, and have great advantages for the future. They will join large companies and get promotions relatively quickly. The education system functions as the preparatory for the business world in this sense. In Japanese society people have the unified view that good schools, companies, and ranks increase the prestige of the person, and lead to the happiness.

Thus, the competition through the report card at schools and the efficiency rating at office in his life is taken as the struggle for the quality of person. According to this misrecognition, employees consciously or unconsciously attempt to improve their positions in terms of accumulating symbolic capital and minimising the loss.

26. In March, the lists of successful candidates at good universities and their graduating high schools appear in a number of weekly magazines and newspapers, which helps to stress the view of ability and social position.
SECTION 3

3.1 Conclusion

In the section one, I defined collectivism as the fact that the interests of the group are prior to the interests of the individual. Now, it is clear that Nihonjinron have presented a normative picture of the Japanese society, which showed only one side of reality.

I then demonstrated part of the process of reproduction in Japanese capitalist society. The structure or culture in the Japanese society allows people to learn cognition, value, or patterns of behaviour, which help to reproduce the Japanese enterprise system. Although parents or siblings, who already have the habitus conformed to the Japanese capitalist society, contribute to the instruction of children in the habitus, children are socialised mainly at schools through interaction with teachers and colleagues rather than lessons. Therefore, when a person joins a company, he can guess what is good or bad and how he should behave in the company to some extent, and consciously or unconsciously act according to the scheme of cognition.

The company attempts to control employees in terms of manipulating two principles of actions, equality and competition. On the one hand, the company prepares a number of apparatuses for creating the community, so the employees are required to ascribe themselves to the working group, or the company. On the other hand, the company provides the employees with some systems aimed at allowing them to be engaged in their job eagerly, so the employees are required to participate in the intense competition for promotion throughout their life. When the competition is revealed in the group too obviously, the team-work to do business is violated. Conversely, when the equality is emphasised extremely, the efficiency of work is reduced. The company, combining those two principles in many
spheres, creates both the stability and the driving force of the company.

At the level of individual actions, what is seen at first as irrational or inefficient in the company follows strategy. People generally seek for the maximisation of self-interests, which means the accumulation of symbolic capital or economic capital. In the company a person never substantially commits himself to the small working group. The person consciously or unconsciously recognises that maintaining harmony or voluntarily contributing to the group will benefit him. The reason why each person hardly opposes the proposal with which the majority or the superior is ready to agree at a meeting is that, he obscurely feels, if he makes objection to it, the meeting will be in confusion, and the others will openly or tacitly blame him for causing the confusion. Therefore, he keeps quiet maintaining harmony. It follows from what has been said that harmony in the Japanese company can be regarded as results of what Bourdieu calls second-order strategies. The great sensitivity and the delicate self-control is required to accumulate symbolic capital, and it is habitus that makes it possible.

*Nihonjinron* has attributed phenomenon in a Japanese company to Japanese national character. However, it should be remembered that the psychological dispositions are produced by "the structures constitutive of a particular type of environment". Psychological dispositions not only produce the structure but also are produced by the structure. Bourdieu defined habitus as "structured structures predisposed to function as structuring structure". It is investigation of this dialectical process that enables us to comprehend practices in the Japanese company.
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