

Japanese Global Strategy

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Preface

Terminology and the Research Process

The purpose of the book is to explore global corporate strategy in Japanese companies.

My primary aim is to clarify how Japanese companies achieve their global management objectives, what kind of theories they adopt and how they put these theories into practice in corporate and marketing strategies. Thus, I am concerned with the management history vis-à-vis global strategy in Japanese companies and with the way a hybrid theory can explain the latest Japanese global strategy, called *monozukuri* strategy. Both theory and strategy are discussed in Chaps. 1 and 4. I do not address Japan's economic history and industrial development after World War II. A glossary of the technical terms we use, originally Japanese, is found in Appendix 1 at the end of Chap. 1; all the words in the list appear in italics in the text.

People in business and academic circles define 'strategy' in various ways. According to Robert Grant:

A strategy serves as a vehicle for achieving consistent decision making across different departments and individuals. In other words, it acts as a vehicle for communication and coordination within an organization. (p. 4)

The word originally comes from the Greek *strategia*, prior to *stratégie* in French. Both mean ‘generalship,’ that is, ‘the office of the general’ or the ‘command’. In this book ‘general’ is regarded as equivalent to a president or a head of the international business unit of a company. I submitted a questionnaire to two persons in the role of ‘general’ and conducted interviews. Examples of questions directed to the president and to the executive are shown as Appendices 2 and 3 at the end of Chap. 1.

My first book, published by Palgrave Macmillan in 2012, was based on interviews conducted mainly from April 2001 to March 2009. I then abstracted some successful business theories from phenomena observed in these interviews (Yamazaki 2012). The research for this, second, book was conducted after April 2011 up to the end of 2015. I visited subsidiaries in Asia and Africa to examine responses to the changing political and economic situations on these continents. Reviewing the research of Japanese companies in foreign countries, I chose nine companies for case study, including Denso Corporation, Furukawa Electric Co., Ltd., Hamamatsu Photonics K.K., Kanefusa Corporation, Komatsu Ltd., Mabuchi Motor Co., Ltd., Yamaha Motor Co., YKK Corporation, and Yokogawa Electric Company. All these outfits are deeply engaged in global businesses. Most (with the exception of Hamamatsu Photonics K.K. and Kanefusa Corporation) were also included in *Japanese Global Management*, as many readers will be interested in what happened in those companies after 2011. All nine companies are clearly examined with SWOT analysis, in Chap. 4.

I directed the questionnaire to persons responsible for the international transactions of their respective company and followed up with a request to interview them. I did the same with the company presidents. From the two parts of this process, I was able to discover the global marketing strategy, especially in their focus areas. They seemed to give Asian and African markets priority over Latin American and European markets. Chapter 5 delves deeply into Indonesia, Kenya, Nigeria, South Africa, Sri Lanka, and Vietnam with respect to their prospective markets—geographically and economically.

How subsidiaries are controlled is a second concern of this book. Laissez-faire is one approach; a strict reporting system is another. Something between the two approaches might be the case, depending on

a country's situation. The third concern looked at is the size of a market is and what items or products the company will expand to include in the future. The amount of overseas sales of some companies outnumbers that of their domestic sales. The percentage of foreign business out of their whole business operation they deem optimal, and how they would reach such objectives are important considerations. Certain questions were addressed differently from company to company. Examples of a question directed to the president and another to the executive are seen at the end of the preface. In Chap. 6, the essence of Japanese global strategy is abstracted from the discussions in all previous chapters.

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- Yamazaki, Katsuo (2012) *Japanese Global Management—Theory and Practice at Overseas Operations*, Palgrave Macmillan, pp178–183.

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