

Japanese Boss and Australian White Collar

— A Consciousness Survey of Local Key Persons of
Japanese Subsidiary Companies in Australia —

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1. Introduction

This paper analyses the result of "A Consciousness Survey of Local Key Persons of Japanese Subsidiary Companies in Australia" conducted in July to August 1991. How are Japanese managerial staff evaluated by Australian white collar who have daily contact with them and observe directly the contents of their actual managerial behavior?

The strength of Japanese companies has been stressed among various quarters, domestically and internationally. I wonder, however, how the quality of managerial activities of individual management staff is. Japanese business and organizational environment is quite favourable to management staff; long-term stable transactions, company keiretsu or company group, mutual share-holding among keiretsu companies, homogeneous social and cultural situation, and company-oriented society which is likely to yield what is called company persons. All these conditions seem to work favourably to management staff. If these kinds of environmental factors were filtered, the true quality of Japanese managerial staff would appear clearly. How are they evaluated in the severe business and organizational environment?

I selected Australia as one of the most suitable fields from the above viewpoint. The managerial environment of Australia is quite severe; pluralistic social structure with many nationalities, languages and cultures, huge land and small population, scarce capital, difficult industrial relations are actually opposite to Japanese situation. Many of Japanese management staff have been sent to Australia. How are things going with them and how are they evaluated by Australian

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local staff ?

Of course, the purpose of this survey is not to make a mere criticism against the management quality of Japanese managerial staff overseas. The real aim is to search for a conceptual framework of managerial functions in international business relations. The more borderless business activities extend, the more borderful socio-economic relations arise like the issues of trade frictions, investment frictions and cultural conflicts. Those issues originate in the fact that each individual person has three standpoints; one as a consumer, one as a producer or an income earner, and the last one as a community member. Every person plays three roles as such. A certain company behavior welcomed from one standpoint might be denied from another. Hence there may arise a lot of conflicts between people and even within each person. This means that overseas direct investment should be managed with a broad view and with deep considerations.

Company must obtain the sympathy from various quarters with different standpoints. As to Japanese subsidiary companies overseas, top executives must, to begin with, strive to gain and keep the trust and sympathy from their immediate subordinates, i.e. local key persons. This is the beginning for the success of international business relations.

2. Survey Objects and Method

Table 1 shows the details of survey objects. 20 offices of 17 companies were selected as survey spots. Even in the same company, organizational climate of the head office and a branch office is sometimes quite different, so each office was calculated separately. These spots are in some variety of industries, equity structure and scale of employee number.

The survey consists of questionnaire and hearing. The questionnaire sheets were delivered to local key persons; the positions vary from manager, senior manager, general manager to director and managing director. 151 answers were collected from 18 spots as shown in Table 1. The contents of the questionnaire, shown in the Appendix, cover wide range from the evaluations of various managerial behavior of the immediate superiors to the evaluations of satisfaction about salary, human relations, information sharing, their boss and their company. Each question was required to answer by evaluating on the five-graded continuum. Some questions include quite sensitive matters, so answered-questionnaire sheet had to be handled strictly confidentially.

Table 1. Details of Survey Objects

Survey Spot	Questionnaire	Hearing		Remarks*
	Australian	Australian	Japanese	
A Head Office	10	4	2	Australian Top Austral. Top, Branch of B
B Head Office	9	2	1	
C Branch off.	6	5	0	
D Head Office	10	2	2	Austral. General Manager
E Head Office	13	10	2	
F Head Office	10	5	1	
G Head Office	4	4	2	
H Head Office	0	0	1	Liaison of I
I Rep. Office	8	3	1	
J Liaison Off.	6	3	1	
K Head Office	10	3	1	Liaison of L
L Head Office	11	3	1	
M Liaison Off.	3	2	1	
N Head Office	6	1	1	
O Head Office	0	0	3	Australian Top
P Head Office	5	0	1	
Q Head Office	10	5	0	
R Head Office	10	3	2	Australian Top
S Head Office	10	3	1	
T Head Office	10	3	1	
	151	61	25	

* Industry Category, equity structure, number of employee and established year are also available, but they are not mentioned here for fear that each company name could be specified. This survey could be done with this qualification of report style.

Hearing survey was conducted at 20 offices with Australian and Japanese managerial staff. The issues of managerial behavior are qualitative by nature, so questionnaire method has limit to get enough information. Then selective interviews were introduced in order to cover this deficiency. 61 interviews with local key persons and 25 with Japanese executive staff were made at 20 offices as shown in Table 1. Japanese staff varies from senior manager and general manager to director, managing director and president.

Each item of questionnaire is classified into 10 groups of following indexes ;

evaluation of managerial behavior

Index 1 : performance-oriented behavior

Index 2 : relations-oriented behavior

Index 3 : information sharing-oriented behavior

evaluation of satisfaction degree

Index 4 : material remuneration

Index 5 : career pass

Index 6 : human relations

Index 7 : information sharing

Index 8 : boss

Index 9 : company

evaluation of communication with Japanese staff on the whole

Index 10 : communication with Japanese staff

and Index 11 is added to show the total evaluation of organizational climate ;

Index 11 : organizational climate

The score of each index is calculated by summing up the evaluated scores of corresponding question numbers shown in the following table.

index number	corresponding question number
1	Q13, 14, 15, 16, 17, 21, 30, 31
2	Q4, 5, 9, 19, 20, 23
3	Q8, 18, 22
4	Q1, 2
5	Q3, 6, 7
6	Q11, 12, 25
7	Q10, 24
8	Q32
9	Q33, 34
10	Q26, 27, 29
11	sum of index 1~10

3. Some sketches of Organizational Climate

Table 2 shows the index scores by each survey spot. Four survey spots, G, H, M, O, are excluded from this table because of insufficient number of answered questionnaire. According to the index 11, highest-evaluated company spots, Q, D,

Table 2. Index Scores by Survey Spot

Survey Spot	Index Number										
	①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	⑪
Q	3.4	4.0	4.1	3.6	4.3	4.2	3.6	4.4	4.8	3.1	4.0
D	3.4	3.8	3.8	3.9	3.7	4.2	3.4	3.9	4.4	3.3	3.8
E	3.3	3.8	3.9	3.6	3.9	3.9	3.7	4.0	4.4	3.6	3.8
F	3.6	3.8	4.1	3.3	3.9	3.9	3.4	4.3	4.3	3.3	3.8
C	3.3	3.7	3.9	3.5	3.8	3.8	3.2	4.0	4.8	2.8	3.7
L	3.4	3.8	4.0	3.5	3.4	3.7	3.1	4.2	4.3	3.8	3.7
A	3.5	3.5	3.5	2.8	3.4	4.0	3.0	4.5	4.6	3.1	3.6
B	3.1	3.9	4.2	2.7	3.4	4.1	3.1	3.9	4.2	3.0	3.6
K	3.3	3.5	3.7	2.8	3.3	3.9	3.3	3.5	4.3	3.1	3.5
S	3.2	3.7	3.8	2.7	3.1	4.0	3.0	4.0	3.6	2.7	3.4
J	3.0	3.3	3.4	3.3	3.1	3.4	2.7	3.8	3.8	2.7	3.3
T	3.1	3.3	3.3	3.4	3.4	3.5	2.7	3.7	4.0	2.7	3.3
N	3.1	2.9	3.0	3.3	2.5	3.8	2.5	4.0	4.2	3.0	3.2
I	2.7	3.4	3.5	3.2	2.6	3.6	2.3	4.3	3.2	2.0	3.1
P	2.7	3.0	3.0	2.9	2.4	3.3	2.2	4.2	3.5	3.1	3.0
R	3.0	2.9	3.3	2.8	2.3	3.6	2.7	3.4	3.6	2.6	3.0
average	3.2	3.5	3.7	3.2	3.3	3.8	3.0	4.0	4.1	3.0	3.5

E, F, and the lowest-evaluated company spots, R, P, I, N, were selected to show some sketches of organizational climate of Japanese subsidiary companies in Australia. These sketches are mainly based on the information from hearing survey and questionnaire answers to Q 35 and 36.

Q head office: Its parent company is one of Japanese largest banks. Managing director is Australian. There stays none of Japanese staff. Original firm was a local financing company, and they welcomed the take over by present Japanese bank. The bigness and profitable performance of the parent company contribute to make the local staff feel secured of their job and proud of their company. The level of information sharing is relatively high among the companies surveyed. The Australian managing director, the top executive of the company, is looked as a symbol of good future prospect of career pass within the company. During the stay at the office, I was happy to feel vitality and high morale among all interviewees.

D head office: Parent company is one of Japanese largest manufacturers. The leadership of Japanese top executive is strongly performed and maintained, so strong as having been felt arbitrary by one of interviewees. Managerial behavior is well done on any dimension of index 1, 2, 3, i.e. performance-oriented, relations

-oriented and information sharing-oriented behavior. The leadership is well performed not only to propose clear philosophy and future vision but also to keep people informed; the company seminar was held for the whole local staff, where one of the top executives of the parent company came to give lecture on the company philosophy, and a special handbook has been compiled as a guideline of business behavior for the local staff. These are actually remarkable efforts for information sharing. Four local staff occupy the position of associated directors and aim to be promoted to real director. More than 50 local staff have been sent to Japan to attend various kinds of training programs at the parent company. All interviewees seemed to have a positive attitude for their future prospect of career pass.

E head office: Originally local manufacturer, but recently taken over by Japanese big company. The new Japanese president and local managerial staff are well organized, and they hold weekly executive meeting, and they are successful to keep sufficient information sharing and to produce positive decisions for the company future development. Active capital investments have been made since the take over. Factory, office and machineries are renewed, which heightens the morale of the company staff. The ambivalence of uncertainty and expectation of the local staff at the occasion of the take over has been settled, and now they seem to have a confidence in their new owner and new management. Not only the positive business development activities, but also remarkable human considerations as shown in rebuilding comfortable office and supplying free lunch have become the topic of a talk among the regional communities. The local TV station paid a visit and broadcasted the sketch of the company life. I watched the video, and I was impressed with the word of the Japanese top executive "Happy worker will make a good job". I conducted 10 interviews with local managerial staff at this company. It was my great pleasure to have found good information sharing and mutual trust between Japanese staff, President and Company Secretary, and local key persons on the whole.

F head office: This company has a long history, more than 60 years, as a local manufacturer. A few years ago it was taken over by a Japanese company and a third country capital, and now 90% of the equity capital are held by those two companies and the rest 10% by original local owner. The board of directors is organized according to this equity ratio, but there stay two directors, one from Japan, in charge of production, and the other from the third country, in charge of finance. The Australian general manager has a strong influence on the whole

matters. He had been in the position of general manager at one of the largest British subsidiary companies in Australia, and he was headhunted to this company. The evaluation of managerial behavior is high in any one of index 1, 2, 3, and especially highest in index 1, performance-oriented behavior, as shown in Table 2. The interviewees described a good future prospect of career pass within the company.

Then how is the organization climate of the low-scored companies? Let's continue to draw the sketches.

R head office: A financing company. Its parent is one of the largest Japanese banks. Looking into the index scores of Table 2, index 5 of career pass and index 7 of information sharing are very low. Top two executives are Japanese. All the interviewees of local staff confessed their criticism on Japanese executives about bureaucratic processing, close supervision, spending long time to deal even with small things and frequent inquiring of Tokyo. And they continued to criticize that Japanese executive staff would not do any actual business work even in the severe business conditions, and that they just only rely on local staff, but would never trust local staff. There was a interviewee who regretted the former Japanese boss who had put confidence in him. In the organizational climate like this and with small number of employees, the very low score of career pass, 2.3 of index 5, seems to be inevitable. I am afraid this organization is seriously impoverished.

P head office: Originally a local financing company. It was taken over by one of the largest Japanese banks. The company top executive is Japanese. Both index 5, career pass, and index 7, information sharing, are also in the lowest level shown in Table 2. According to the explanation of the local key staff who keeps long service since before the take over, the leadership of top management has become gradually faded out, and now local staff cannot image any clear company policy, nor future vision. And he continues to explain that they do not feel any team-spirit with top management, information is limited, and that only the staff from Japan, even the youngest, know the whole company plans. It was a pity to hear the story that local staff had been excluded from the weekly executive meeting. They complained of the lack of information sharing.

I representative office: The top executive is Japanese. The score of index 10, communication with Japanese staff, is extremely low as shown in Table 2. And the score of performance-oriented behavior, index 1, is also the lowest. The interviewees described the frustration without any clear future direction of the

Figure 1. High Scored group vs. Low Scored group.

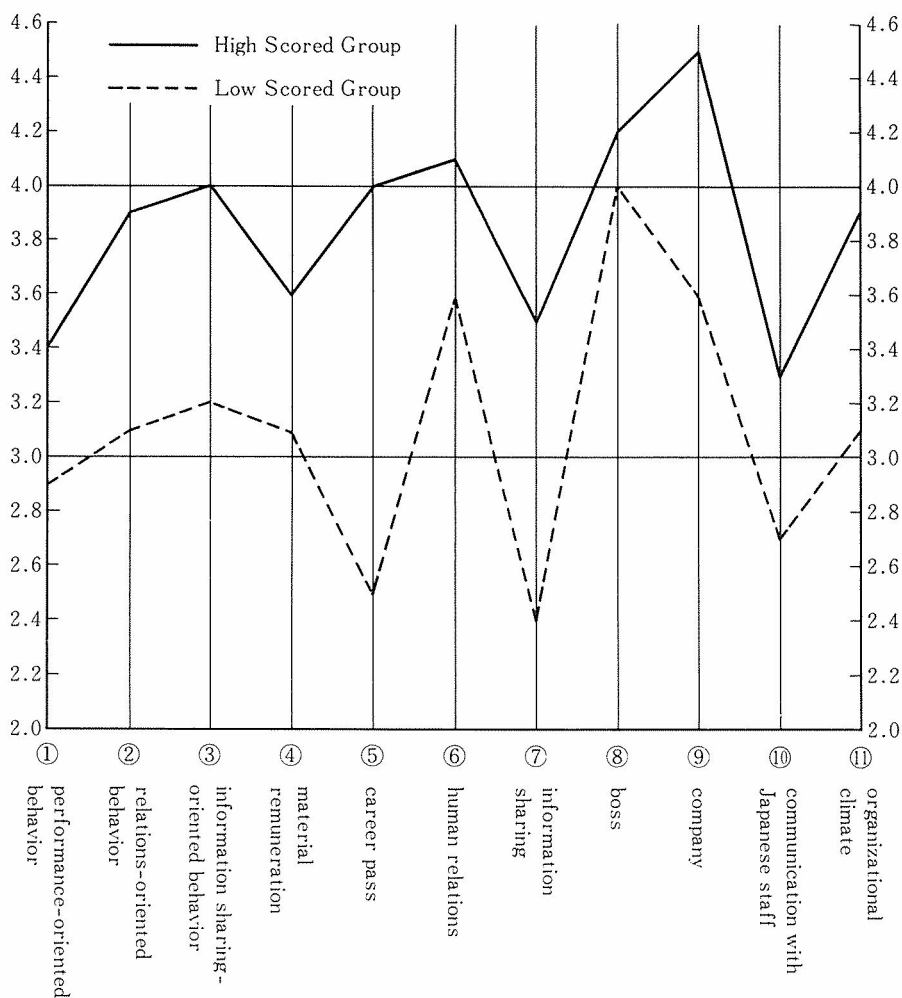


Table 3. High Scored Group vs. Low Scored Group

	Companies	Index Number										
		①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	⑪
High Scored	Q, D, E, F	3.4	3.9	4.0	3.6	4.0	4.1	3.5	4.2	4.5	3.3	3.9
Low Scored	R, P, I, N	2.9	3.1	3.2	3.1	2.5	3.6	2.4	4.0	3.6	2.7	3.1

company. And they complained of Japanese superiors who would not trust local staff. They think that only Japanese are allowed to make decisions and that the decisions are made in Tokyo. And they blamed Japanese top executive for his insufficient language ability, and confessed the fact that the executive meeting with attendance of local key staff had not been held. And here also, I heard the story of the former excellent Japanese superior and high spirit of team work with his leadership.

N head office : A trading company taken over by Japanese company. The top executive position is occupied by Japanese. According to the description of the local key person of very long service, there were some Australian directors on the board just after the take over, but when they retired, their positions were also taken over by new Japanese directors one after another, and now no Australian director at all. There is a communication difficulty with Japanese staff, and he remembers that there was a time when a certain Japanese top had not made any order nor shown any direction. The local staff mentioned above has often asked his Japanese superior to delegate the responsibility and to trust local staff, which has not been accepted yet. According to the local staff, the present company organization suffers from lack of communication and team work and competence of individual local staff. Because of the lack of career pass prospect, he confessed he would hesitate to recommend young persons to join this company.

Through the above observations, there is an apparent difference of leadership performance between high-scored companies group and low-scored ones. As shown in Figure 1 and Table 3, there exists a huge disparity between two groups. Where does this difference come from? Is the individual competence of managerial staff the determining factor? Or company management system? How about the influence of cultural difference? We need to develop a broader framework of leadership functions.

4. Individuals, System and Culture

Figure 2 and Table 4 show the comparison of the index scores of managerial behavior between Japanese superiors and Australian superiors. The scores for Japanese superiors are evaluated by 55 local managerial staff who are immediate subordinates of them, and the scores for Australian superiors are evaluated by 88 local managerial staff. The former is evaluated lower than the latter. And with regard to index 5, career pass, and index 7, information sharing, nearly the same

Figure 2. Japanese Superiors vs. Australian Superiors.

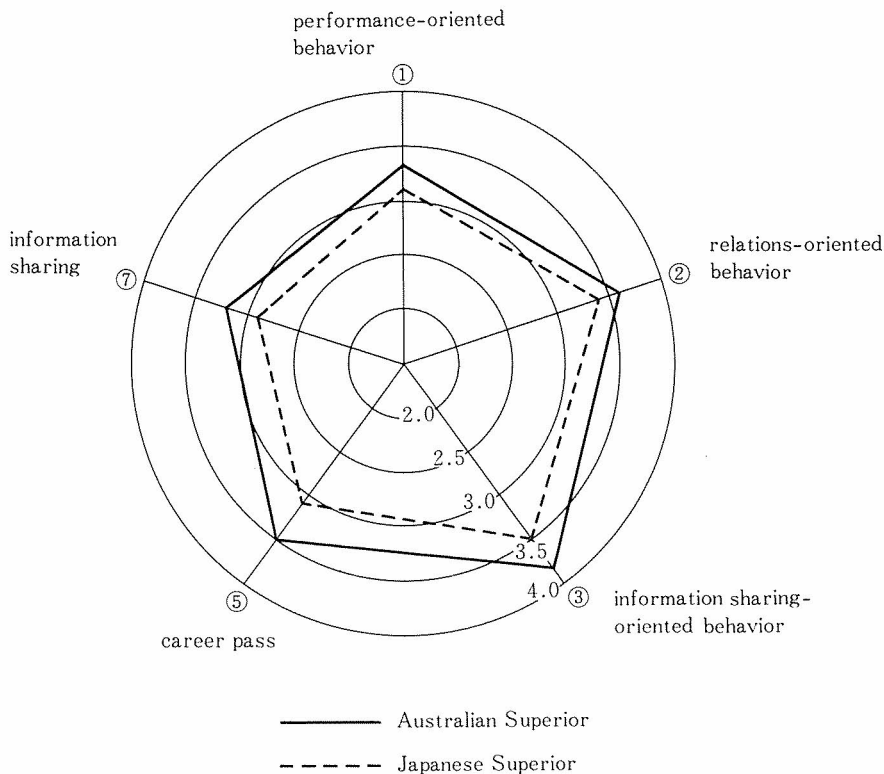


Table 4. Japanese Superiors vs. Australian Superiors

	Number of Answers	Index Number										
		①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	⑪
Japanese Superiors	55	3.1	3.4	3.5	3.3	3.1	3.7	2.9	4.0	4.0	3.2	3.4
Australian superiors	88	3.3	3.6	3.8	3.2	3.5	3.9	3.2	4.0	4.2	2.9	3.6

difference appears.

How should we interpret this result? Japanese superiors here referred are all immediate superiors of Australian managerial staff, and therefore they are all executive staff. They are sent from Japan to lead and control their subsidiary company or representative office. And yet, the quality of managerial behavior of

Japanese staff proved to be evaluated lower than local key persons. How can we explain this reality ?

I suppose three issues of different levels are interrelated. The first is the issue of individual person's competence, i. e. issue of individual level. The second is the issue of company's general policy, international personnel policy, and systematic education & training program for overseas personnel etc., i. e. issue of system level. The third is the issue of the way of thinking and doing on the part that receives and evaluates the managerial behavior of Japanese superiors, i. e. the issue of cultural level.

As to the issue of individual level, we should seriously accept the fact that the evaluation of managerial behavior of Japanese superiors is lower than Australian counterpart, even though the evaluation is done in different cultural settings. It has been often said that government organizations, national big companies and big British and American subsidiary companies are preferred as working places to Japanese companies. Surely I heard such story directly from a couple of interviewees. But having finished the whole interviews with many Australians, 61 persons, I had an impression that the environment for recruiting had changed. Prolonged recession, increased numbers of layoff, rise of notedness of Japanese companies, and inclining to security- or stability-oriented job seeking, all these factors make sometimes people, even holding remarkable career, to approach Japanese companies. Some regard a job at Japanese company as a useful career for future pass. And hence Japanese subsidiary companies in Australia might now hold a lot of highly qualified local staff.

On the contrary, Japanese staff who are expected to lead and control the local organization are sometimes very fragile. Of course, there is a wide variety of the quality of the managerial behavior among Japanese staff. In one case of interview where a local staff had two Japanese superiors, one Japanese superior had been highly evaluated, but the other very low. And I found some cases where low evaluation of present superior was contrasted with the memory of the former talented superior. These facts mean that even in the same company system and in the same cultural settings some of Japanese staff show high quality of leadership performance and control the organization effectively, and others prove to be too weak and fragile to cope with the situation to be required individual competence, and occasionally they descend to play a role like a watchman.

Although the difference of individual competence is quite large, the fact that the managerial quality of Japanese staff on the whole was evaluated inferior to

Australian counterpart still remains. It means many of Japanese staff are not enough talented to overcome the difficulties of crosscultural interface and the defects of the company's system of international business management, if any. One of the reasons of this insufficient supply of talented personnel among Japanese staff stems from the management strategy of the parent company. Most of Japanese companies have been very eager to develop their activities in market enlargement and or business diversifications, supported by affluent capital and advanced production technology. But the development of human resources does not follow the speed of company growth. Management strategy tends to stress on the issue of what to do, that is, what kind of diversifications or what regional market the company should push into. On the contrary, the issue of how to do, that is for example, who could control the new organization, how it could be controlled, is apt to be treated lightly. Overseas direct investment is decided first, and someone is selected later for its management, even though the company does not have good reserve of talented persons for overseas activities, and even though the company does not develop conceptual framework of international business relations.

And next reason is relating to the characteristic of Japanese business and organizational environment. The sense of individual person's responsibility, obligation and accountability is not always strongly asked within Japanese organizations, where people sometimes get used to group-oriented behavior. This seems to prevent an individual person from behaving independently and from developing one's own policy or philosophy and one's own strong will which are the very essentials of leadership personality. This environment brings up a lot of managers who may be functional only in Japanese domestic organizations but may not be suitable in overseas organizational environment where individual responsibility and competence are required severely.

Turning to the issue of the second level, management system, there is also a wide difference of the quality of leadership performance between companies. Index 10 of Table 2, the degree of communication with Japanese staff on the whole, varies from 3.8 to 2.0. The company of 3.8, L head office, has a long history and sufficient experience of international business relations and has developed a fairly advanced system of international personnel management and education and training programs. So, they are successful to keep the quality of managerial behavior beyond a certain high level. The company of 2.0 of index 10 recently rushed in overseas projects, so development of human resources falls far behind

the growth of overseas direct investment, and the system of international personnel management is not established. Without the well-developed management system, the quality of managerial behavior tends to lack in stability among individual persons, and it is not rare that the new top executive often destroys the good relations with local staff, which the former executive has brought up through many years of enduring efforts. Therefore it is urgent to develop a broad concept of managerial functions in international business relations, and to compile systematic education & training programs for management staff sent overseas and to show a clear evaluation system for them.

As to the fundamental issue at system level, the importance of company philosophy must be emphasized. Companies must have clear philosophy to appeal the people. And the philosophy ought to be a lofty hope or ambition which might yield sympathy among the people in the company, in the communities and in the society at large. Subsidiary companies or representative offices overseas may be regarded as a body of missionaries of the company aspiration. And hence, each executive staff from Japan is expected to behave as a missionary to realize the lofty hope of the company. It is a crucial matter whether the company could develop such a lofty hope as the core shared values among the company staff scattered with worldwide ramifications.

Next, the factor of different culture may have relevance to the low evaluation of management behavior of Japanese staff. In a Japanese organization, there may be a clear description of roles and responsibility of the sections or departments, but not always clear with any particular person. On the contrary in Australia, people in managerial positions tend to demand strict clearness of the role and responsibility of individual positions. Then they attach great importance to the direction-report relation or leader-follower relation with their immediate superiors. Therefore they are inclined to make severe evaluation of their superiors who do not show clear and strong leadership. This may be one of the influence of the cultural difference. Furthermore a simple language problem may cause a negative effect on the relations between Japanese and local staff. Insufficient language ability would cause sometimes lack of communication, and problems under discussion would remain unsolved and the feeling of frustration also remains between both sides. Repeating this kind of experience several times, the bitterness makes Japanese staff negative and hesitate to approach local staff for further communication, which often yields the very weak organization of no order, no direction, no information sharing and mistrust.

Here we should pay attention to the contents of different culture. It does not connote something super rational. For example, the need to make individual responsibility clear is quite rational. In Australia the need is strong. In Japan also the need is strong; now stronger than before. But in Japan group-oriented behavior still also remains, which tends to weaken the severeness of individual responsibility. This is the difference. And the need for information sharing is also very natural. If the language were different, communication would inevitably become difficult. Therefore the further efforts for information sharing would be demanded. These needs are not something special, nor something heterogeneous. They are matters of course. Management of crosscultural interface is then defined to do these matters of course as a matter of course. It is, however, not easy to do so, as shown in this survey result.

When having failed to control or lead the local organization overseas, the different culture is often described as a reason of the failure; the different culture is explained as a excuse. This kind of phenomenon is more often seen in wider international economic and business relations. Some people who would not make progress to innovate oneself and to overcome the difficult elements of different culture tend to describe it as the excuse of the failure, putting the fact of insufficient efforts and or insufficient competence aside. This is the so-called defense mechanism by psychological rationalization.

5. Localization and Crosscultural Interface

The survey result shows a clear difference between companies headed by different nationalities. The company group, the top executive of which is Australian, has got a better score in any one of index numbers, especially in index No. 5, career pass prospect, as shown in Figure 3 and Table 5. The existence of local staff as a top executive is supposed as a symbol of career pass and heightens the degree of their satisfactions. This psychological effect is quite substantial as said in the proverb "Example is better than precept". Furthermore, the existence of local top executive contributes to spread the image of local company and is helpful to win the sympathy with the company from the people of local communities, which also raises the satisfactions of employees.

Though the above observation would apply to the cases of local top executives who have enough talent to acquire trust from subordinates, it is needless to say that local top executive can not always yield good result. If too much stress

Figure 3. Japanese Top vs. Australian Top.

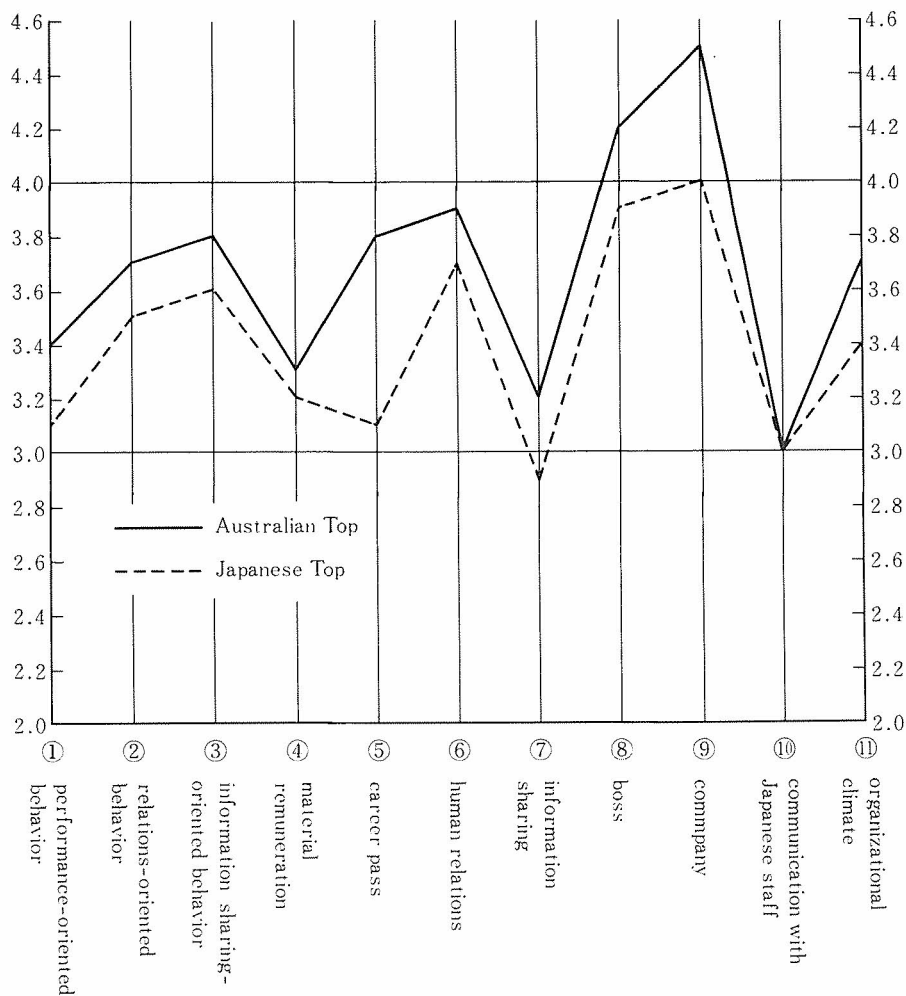


Table 5. Japanese Top vs. Australian Top

	Number of Companies	Index Number										
		①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	⑪
Japanese Top	11	3.1	3.5	3.6	3.2	3.1	3.7	2.9	3.9	4.0	3.0	3.4
Australian Top	5	3.4	3.7	3.8	3.3	3.8	3.9	3.2	4.2	4.5	3.0	3.7

were laid on psychological effect toward local staff and or on political effect to the local communities, and then a person without any special managerial talent or experience were appointed to the top executive because of his social notedness, the result would be miserable. I observed a case of this kind. The result is the confusion of management organization. In order to make arrangements with Tokyo and to carry various decisions, a Japanese staff had to be appointed at the level like vice president, and he cannot help performing substantial part of the actual top executive functions. As the result of it, the Australian top executive was obliged to obtain little authority. The actual power in the organization was reversed between top two persons, which sometimes induces not only discord between them but power struggle to make factions involving subordinates. Dual order-report systems arise, subordinates have had to worry about the selection of route, and organization goes out of order, and morale rapidly declined.

Generally speaking, the companies of local top executive are successful to foster the encouraged organization climate, and yet there is an exception as mentioned above. There are also exceptions among companies with Japanese top which show, on the whole, relatively low scored organization climate. D and E are such. The top executives of both companies are successful to attain the high level of managerial quality, to gain trust from local staff, to attain information sharing among organization members, to control the organization and to demonstrate the strong leadership. All exceptions mentioned above implies that whether the top executive has enough talent to exhibit not only performance-oriented and relations-oriented behavior but also information sharing-oriented behavior is crucially more important than whether the top is Japanese or Australian.

Anyway it is useful to promote the localization of personnel to cope with the issues of crosscultural interface, and almost all Japanese subsidiary companies in Australia have appointed local staff to some of key executive positions and some are seeking the possibility of local top executive. The localization of personnel, however, does not always dissolve the management task of crosscultural interface. The fact is that the higher the localization of personnel progresses, the higher the phase of interface goes up. That is, the higher local staff go up the managerial hierarchy, the higher the phase of managerial control of local organization by Japanese staff will go up from lower and middle management to top management. Then if a local staff were appointed to the top executive of subsidiary company, the phase of crosscultural interface would be between Tokyo and the local top. Then Tokyo must be able to control directly the local top executive through

management philosophy and personnel management policy. Therefore the localization of personnel is not the dissolution of crosscultural interface, but the absorption of it; companies need to search and establish the management philosophy, in other words mentioned above, lofty hope or ambition, which could appeal to the people and could control the behavior of the people and could obtain sympathy from the people in and out of the organization.

6. Conclusion

According to the consciousness survey of local key persons of Japanese subsidiary companies in Australia, the quality of managerial behavior of Japanese executive staff was evaluated lower than the local key persons, and there appeared a fragile Japanese manager's image who had been accustomed to the homogeneous socio-cultural environment and lenient organizational climate. Of course, this is a general observation, and individually some of Japanese executive staff show strong leadership and succeed to control the local organization through clear philosophy, strong will and quick action, to obtain deep trust from local staff, and to attain good business results. Such type of Japanese staff, however, is the minority and the majority of Japanese staff proved not to be able to cope with the different business and organizational environment in Australia and some of them are resigned to a position nearly like a watchman.

Japanese managerial staff in Australia are required not only to carry out the basic managerial functions of performance-oriented, relations-oriented and information sharing-oriented behavior but also to show a clear philosophy which may appeal the people and may yield sympathy from the people in the company organization, the local communities and the society at large. But international business management of many Japanese companies is underdeveloped; Japanese overseas direct investment has been led by abundant capital and advanced production technology, and the establishment of philosophy and principles for international business management falls behind, especially development of human resources is far behind the rapid company growth. So they apparently suffer from insufficient supply of talented human resources for overseas activities.

Management of crosscultural interface is not something special nor something super rational. The strong needs of Australian staff for strict job-assignment, career pass prospect and information sharing are quite natural. When having failed to cope with these needs and to control the organization, the different

culture is often explained as a excuse, putting the insufficient efforts and insufficient competence aside. This is a phenomenon of defense mechanism by psychological rationalization.

It is useful and necessary to promote the localization of management personnel. The localization, however, does not always dissolve the management task of crosscultural interface. If a local staff were appointed to the top executive of subsidiary company, the phase of crosscultural interface would be between Tokyo and the local top. Then Toyo must be able to control directly the local top through management philosophy and international personnel management policy. Therefore the localization of personnel is not the dissolution of crosscultural interface, but the absorption of it; management philosophy and principles, which could appeal and control the behavior of people beyond country borders, must be established.

The importance of company philosophy must be emphasized. The philosophy ought to be a lofty hope or ambition which might yield sympathy among the people in the company, in the communities and in the society at large. Subsidiary companies may be regarded as a body of missioaries of the company aspiration. And hence each executive staff from Japan is expected to behave as a missionary to realize the company philosophy.

Finally, I would like to recommend to use a evaluation survey of Japanese executive staff by local key persons as a part of total evaluation system for overseas personnel. Though the survey may need to be done through external organization, the appropriate use of the survey result would certainly improve the quality of managerial behavior of Japanese staff and international business management of Japanese companies.

(Acknowledgement)

The survey on which this paper is based was supported by Monbusho (Japan Education Ministry) International Scientific Research Program and Yoshida Scholarship Association of YKK. I acknowledge the favour of them. The people of the companies surveyed were very kind to cooperate and to spend a lot of time for internal arrangements and correspondence. Those persons are too many, so please allow not to mention the names of each, but I would like to express my sincere gratitude for each of them.

The interviews with Australian key staff in Japanese subsidiary companies were actually pleasant. On the whole, I was impressed with the positive attitude

of them, even though their organizational climate was not always good. I suppose Japanese staff have a good help from them in this point, though they might not recognize it. It was my pleasure to have found a lot of answers to Q. 35 & 36 required to give delicate writings. But the number and volume of writings were beyond my expectation. I really appreciate the kindness of many of Australian local staff.

During the survey in Australia, I received a lot of convenience from the Department of Economics, the University of Queensland. I must express the deep gratitude to Professor C. A. Tisdell, faculty colleagues and Department secretaries for their very kind cooperation.

- Q10. Do you think information is shared sufficiently between colleagues?
not at all 1 ————— 2 ————— 3 ————— 4 ————— yes, surely 5
- Q11. Do you think your colleagues have a good sense of teamwork?
very slightest 1 ————— 2 ————— 3 ————— 4 ————— yes, remarkably 5
- Q12. How do you feel the relationship with your colleagues in general?
quite unpleasant 1 ————— 2 ————— 3 ————— 4 ————— very friendly 5
- Q13. As to your job, does your immediate superior give you a clear order?
very obscure 1 ————— 2 ————— 3 ————— 4 ————— very clear 5
- Q14. Do you think the arrangements of planning and job assignment by your immediate superior are adequate on the whole?
far from adequate 1 ————— 2 ————— 3 ————— 4 ————— excellent 5
- Q15. Does your immediate superior give you suggestions or hints to do your job effectively?
not at all 1 ————— 2 ————— 3 ————— 4 ————— very sufficiently 5
- Q16. Does your immediate superior show you time-limit to attain your newly-assigned job?
never 1 ————— 2 ————— 3 ————— 4 ————— yes, definitely 5
- Q17. Does your immediate superior ask you to report about the progress of your job?
never 1 ————— 2 ————— 3 ————— 4 ————— yes, indeed 5
- Q18. Is your immediate superior glad to listen to your proposals and ideas to improve the way of doing job?
very reluctantly 1 ————— 2 ————— 3 ————— 4 ————— very pleasantly 5
- Q19. Does your immediate superior treat your proposals in real earnest?
neglect 1 ————— 2 ————— 3 ————— 4 ————— yes, earnestly 5
- Q20. Does your immediate superior give you high recognition for your good achievement?
no mention 1 ————— 2 ————— 3 ————— 4 ————— yes, indeed 5
- Q21. Are there cases when your immediate superior reproves subordinates?
never 1 ————— 2 ————— 3 ————— 4 ————— very often 5

- Q22. Are there times your immediate superior asks your opinion?
 never 1 ————— 2 ————— 3 ————— 4 ————— quite often 5
- Q23. Is your immediate superior concerned about personal matters of subordinates?
 indifferent 1 ————— 2 ————— 3 ————— 4 ————— yes, very kindly 5
- Q24. Do you think information is fully shared between you and your immediate superior?
 very slightly 1 ————— 2 ————— 3 ————— 4 ————— very sufficiently 5
- Q25. How do you feel the relationship with your immediate superior?
 very distasteful 1 ————— 2 ————— 3 ————— 4 ————— quite amicable 5
- Q26. Do you think you have enough communication with Japanese managerial and or advisory staff on the whole?
 not at all 1 ————— 2 ————— 3 ————— 4 ————— quite enough 5
- Q27. Do you feel difficult to communicate with Japanese staff on the whole?
 seriously 1 ————— 2 ————— 3 ————— 4 ————— no difficulty 5
- Q28. Do you think the communication difficulty with Japanese staff has impact on managerial behavior and on office life on the whole?
 very slightly 1 ————— 2 ————— 3 ————— 4 ————— yes, seriously 5
- Q29. Are there times Japanese management staff explains company's basic policy and future vision?
 never 1 ————— 2 ————— 3 ————— 4 ————— often 5
- Q30. Are there times your immediate superior seems to waste long time to make decisions with the matter of indifference?
 very often 1 ————— 2 ————— 3 ————— 4 ————— not at all 5
- Q31. Are there times the important plans have been suddenly changed or abolished by Top Management?
 often 1 ————— 2 ————— 3 ————— 4 ————— never 5
- Q32. Do you trust and respect your immediate superior as your boss?
 not at all 1 ————— 2 ————— 3 ————— 4 ————— yes, definitely 5

Q33. Are you satisfied to have joined this company on the whole?
not at all 1 ————— 2 ————— 3 ————— 4 ————— 5 yes, very much

Q34. Are you proud of this company?
not at all 1 ————— 2 ————— 3 ————— 4 ————— 5 yes, strongly

Q35. Could you remember when you felt most motivated since you had joined this company? Might I ask you to explain when and what made you ever most encouraged?

Q36. Could you remember the very reverse situation? Might I ask you to explain when and what made you most disappointed or discouraged?

Thank you very much for your kind cooperation. The information here you gave me will be kept confidential and analysed collectively and used for my educational and academic purpose. I also hope to use the survey result to improve the quality of personnel management in international business settings.