Chapter No.1:

Research methodology:
1.1: Introduction:

In the recent modern times, the reigns of global economic leadership has changed its hands. Japan has emerged as the economic leader. The economy of Japan, today, accounts for a staggering ten percent of the world product. The Japanese emphasis on savings and exports, the protection accorded to the domestic industry, the gearing of the entire financial system towards increasing investment and productivity, are all typical Japanese policies that have been successful. Their overwhelming popular slogan is, “Export for development and savings for stability.”

Till 1970, the Japanese management practices (JMPs) were labeled as backward, irrational and pre-industrial. The Japanese had regarded Western management practices (WMPs) as universal and even an American manager was an ideal for them. However, today, Japan may offer a potentially useful model not only to the developed countries in the West but also to the newly industrialized countries, the “Four Little Dragons” in East Asia. The entire world is extolling the high productivity and efficiency of Japanese industry and the equally high quality of its products. This success is attributed to the unique JMPs, which are different from those practiced elsewhere.

The Indian management practices (IMPs) do not differ from JMPs in certain respects. Indians too never believe in the concept of ‘hire and fire’. Lifetime employment is not new to India. The government and public sector undertakings traditionally used to provide lifetime employments to their employees. Even in private sector, the practice of ‘hire and fire’ is a rare phenomenon. Performance evaluation process in most of the Indian companies is very much liberal and promotion goes by seniority. Very few Indian organizations have really made the performance evaluations in its exact sense but at the time of promotion, these organizations have ignored the seniority.

However, there are significant differences between the IMPs and the JMPs in various other respects, e.g. effective group-work, discipline, efficiency, quality and just-in-time approach. These are misnomers in the Indian industrial climate. It is interesting to note that in recent time seminars are being organized in India on “how to motivate people to work in working days in working hours.” It explains the degree of discipline, hard work and efficiency of workers in Indian companies.
Japanese culture is rooted in-group work, whereas Indian culture is rooted in individualism—borrowed from the Western civilization. Nevertheless, people in both countries form groups, but an important criterion for membership tends to be “What I can do for the group” in the case of Japanese and “What the group can do for me” in the case of the Indians. In the present times, it is very rare to find a committed and concerned employee working for the growth of his employer in India. He is very much self-centered and committed to himself. The strength of Japanese business organizations have attributed to the existence of the organizational culture that avoids the cult of individualism, builds group loyalty and mutual support systems, and provides an environment, which encourages individual workers to excel and contribute their best to the organization. This concept is absent in Indian culture.

Just-in-time approach, the remarkable innovative practice of Japan, is not properly followed in India. One of the most important reasons for industrial sickness in India today is over-stocking and over-staffing. The JIT approach is borrowed in recent years by a few Indian industries like Hind, Hero and Atlas Bicycles, has brought them laurels.

Quality is the main concern for Indian companies today. They are not very much quality conscious. Industrial relations in India are worse. On one hand, we rarely find a loyal and committed set of workforce and on the other, employers never hesitate to exploit their workforce.

The industrial sector occupies a strategic position of unique importance in the Indian economy. Today, the industrial sector roughly contributes 25 to 30 per cent in the total GDP of Indian economy. The industrial sector exports near about 40 per cent of the total industrial production and providing three-fourth of the total employment in the country. However, there are as many industries/companies have fallen sick. One of the important reasons of sickness is adoption of poor management practices.

Industrial relation is a major problem in Indian businesses and they do not strictly adhere to job-specialization. Lifetime employment may not be possible in Indian businesses because of limited scope they offer for career growth of workers. However, the managers of Indian businesses can try with the Japanese management
style (JMS). The JMS may help them to overcome the weaknesses of Indian businesses.

There are not many significant differences in cultural framework of Japan and India. One of the significant differences in them is that Japanese have group culture where as Indians have a cult of individualism. The Indian businesses as well as the IMPS with little modifications can implant the JMS. What is more important in the Indian business environment probably is to change the attitude of workforce, make them disciplined and duty conscious and inculcate in them a sense of commitment towards their organizations.

The new economic world order has opened up Indian economy. Indian companies now have to face the competition with the multinationals companies successfully and create and maintain market position. Excellent quality standards of goods and service will have to be offered at the competitive price. The pressures on the companies to adopt the right management techniques to improve productivity in their organizations are very high. Looking at the phenomenal success of Japanese enterprises, a number of companies in India are turning towards the various techniques that were responsible for Japan’s success. Such a move by Indian companies seems quite normal and natural.

Japan has managed to achieve excellent quality of goods and services at competitive price by using their own management techniques. The quality perception and perspective started by Dr. Deming and Dr. Juran were developed further by Japanese industry keeping in mind their own constraints and requirements. Thus, various Japanese management techniques (JMTs) have evolved.

Indian companies have been using some JMTs like Quality Circle (QC), JIT, Total Quality Management (TQM), Kaizen, Kanban, Japanese Culture, Ethical Conduct, Self-Discipline, Group Responsibility, Informal Relationships, and Democratic Participation etc. now for around more than two decades starting in 1980s. But the need to compete well in the situations arising out of liberalization and globalization, management of Indian companies also adopted among many management initiatives the other Japanese techniques like Kaizen, JIT, QC, TQM, Kanban, Japanese Culture,
Ethical Conduct, Self-Discipline, Group Responsibility, Informal Relationships, Democratic Participation etc.

The research attempts to analyze the specialty of the JMS, differentiates its management practices, and examines its relevance to Indian businesses. Hence, the research was undertaken. The researcher was keen on making in-depth study about JMTs and their relevance to Indian business.

1.2: Objectives of the study:
The following are the main objectives of the study:

1. To study the JMTs such as Kaizen, JIT, TQM, QC, Kanban, Japanese Culture, Lifetime Employment, Seniority-based Rewards, Non-specialized Career Paths, Self-Discipline and Harmony, Collective Decision-making and Group Responsibility, Ethical Conduct, Informal Relationships and Democratic Participation etc.

2. To study the need and importance of JMTs in business organizations with special reference to Public Limited Companies, particularly situated in Pune District.

3. To study the impact of JMTs on the productivity, quality of the products, efficiency of workers, motivation of workers, industrial relations and other areas of functions/operation of the Public Limited Companies situated in Pune District.

4. To study the difficulties in implementing JMTs in Public Limited Companies situated in Pune District.

5. To make some suggestions to Indian businesses on the basis of this research.

1.3: Hypotheses:
Based on the study and review of the existing literature and information available, it is understood that the JMTs are very powerful. Therefore, the hypothesis formulated is:

1. The advantage of Japanese management techniques has changed the approach of managers/officials and workers of public limited companies situated in Pune District towards management systems and the way in which business activities are
being performed as a result management practices of these companies are
influenced greatly by Japanese management techniques.

2. Japanese management techniques have created a positive impact on the various
areas of operations/functions of the public limited companies.

3. Public limited companies situated in Pune District have implemented Japanese
management techniques due to their effectiveness in improvement of work culture
and systems. This implementation has helped in improvement of efficiency,
productivity, quality of the products, industrial relation and work culture.
However, this implementation has certain limitations/difficulties/problems/barriers.

1.4: Period of study:
Post liberalization period for the companies in India has been the period of test.
Immediately after the first phase of economic reforms, the intensity of competition
was not felt as critically as it happened during the past fifteen to sixteen years.
Management of various companies in India started introducing new management
initiatives to face the new challenges. Some of them just started experimenting with
these techniques. JMTs became more favorites because of the tremendous results they
brought out for Japanese companies.

It was felt that this was the time that a research should be carried out to see the
validity of JMTs in Indian companies and such kind of an attempt will be of great
benefit. Due to this reason, this particular period is chosen. It was planned that the
data collected should be as recent as possible so that the results are more up-to-date
and relevant. Taking into consideration the above mentioned reasons and the past
literature, the researcher has selected 10 years period i.e. “1997-2006.”

1.5: Research methodology:
For the purpose of doing this research study primary as well as secondary data were
used. Flow Chart of research methodology is given in the Chart No.1.1.
Data:

Data has been collected for this purpose on the basis of a field survey. Naires have been prepared for this purposes i.e. one for the workers and two for the managers/officials of the companies and filled in by the themselves i.e. workers and managers/officials such as HRD executives, HR managers, personnel managers, production managers, quality managers etc. A reasonable number of respondents from each category have been one for response. Their views and opinions have been taken into consideration.

Sample:

The number of public limited companies excluding banking, insurance and banking companies situated in Pune District is 350 as per the Directory and Profile and the Mfg. Inc. of Pune Maratha Chamber of Commerce, Industries and Commerce, Pune, February, 2008 Edition. This was considered universe for the study.

S/Officials:

Study the opinions of the companies regarding JMTs, it was decided to use a convenience sampling method. It was decided to have a convenience sampling method for the study. The target group selected as samples were the manager/officials of public companies with whom contact were already established and who were willing to provide their opinions regarding JMTs. 65 questionnaires were circulated among the officials of different types of companies and 46 questionnaires were sent to them. But, the researcher selected only 42 questionnaires for the interpretation of data. The total percentage of sampling was 11.05 per cent public limited companies which were situated in Pune District.
II) Workers:
In order to study the opinions of the workers regarding JMTs, it was decided to conduct a field survey. It was decided to have a convenience sampling method for the field survey with yes-no type questions, multiple choice questions and open-ended questions. The second target group selected as samples included the workers of shop floor level of the same public limited companies with who contact were already established and who were willing to provide their opinions regarding JMTs. 225 questionnaires were circulated among the workers of the selected companies situated in Pune District and 183 questionnaires were collected from them. But, the researcher has selected only 177 questionnaires for the analysis and interpretation of the data. The total strength of workers in all the selected companies was near about 34897. The total percentage of sampling was 0.51 per cent of total strength of workers of selected public limited companies situated in Pune District.

B) Secondary data:
In order to conduct the research, important contributions in the subject through important books, journals, magazines, survey materials, periodicals, reports, booklets, newspapers, official manuals published in India and abroad, mission statements and Internet have been used.

1.6: Method of data analysis:
Information collected from the selected sample of the companies for the study is divided into different groups according to the nature and type of their production. After making the groups, a separate data table is prepared for each group. Then comprehensive data table is prepared for the purpose of the analysis of the data. Thereafter, the data has been analyzed according to the objectives of the study. The average is worked out for explaining the data. The classification and tabulation of data is also made wherever necessary for the purpose of getting clarity as to the responses of the respondents.

In addition to that the information collected through discussion with the respondents and personal observations made by the researcher during the interactions with them has been used at appropriate places while analyzing the data and for arriving at appropriate conclusions and suggestions.
1.7: Questionnaires:
Analytical and exhaustive questionnaires were designed to extract information from the companies regarding JMTs. For this work two questionnaires were prepared, one for officials and another one for workers. In officials questionnaire, 61 questions were incorporated with yes-no type questions, multiple choice questions and open ended questions to get their opinions and reactions about use, awareness and advantages of JMTs. Similarly, in workers' questionnaire 47 questions were incorporated with yes-no type questions, multiple choice questions and open ended questions to get their opinions and reactions about use, awareness and advantages of JMTs. And certain questions were asked in the oral discussions to the managers/officials and the workers of the companies, which are not mentioned in the analysis of the questionnaires.

1.8: Statistical techniques used for the analysis:
The questionnaires include the general information about the JMTs and the opinions of the workers and managers of the selected public limited companies regarding JMTs and other matters.

The data has been collected through the questionnaires and the information collected is sorted out, arranged and properly classified in such a manner which suits the purpose of this study. The data has been classified on the basis of the nature and the type of production of the companies selected for the study. The classification is mainly done on the basis of opinions and views expressed by the respondents with regard to various attributes such as co-operation, support, assistance, honesty, loyalty, enthusiasm, sense of attachment, creativity, problem-solving, gratitude, confidence, dedication to work, inclinations to accept challenges, celebrations, attitudes, affection, self-esteem, motivation, relationship, feelings, social obligations, benevolence, satisfaction, integrity etc. which constitute the qualitative data and such qualitative data is generally not susceptible to direct statistical measurement. With this limitation the researcher has used the classification and tabulation technique to simplify the collected data to get appropriate understanding for the purpose further analysis and conclusions to be drawn from the said data. These statistical methods proved to be of great help and accordingly the researcher has converted the data into diagrammatic and graphic representation and averages and accordingly conclusions have been drawn.
"An analytical study of Japanese management techniques and their relevance to Indian business with special reference to Public Limited Companies situated in Pune District from 1997-2006"

Study and review of past literature

Formulation of hypothesis

Identification of the objectives

Detailed study

Questionnaires

Oral discussion with managers & workers

For relevance of Japanese management techniques

Collection of data

Data analysis

Conclusion and suggestions

Chart No. 1.1: Flow chart of research methodology.
1.9: Chapter Plan:

The study has been arranged in the following chapters:

Chapter 1:  Research methodology.
This chapter begins with the introductory aspects such as introduction, objectives of the study, hypothesis and period of the study. This chapter presents research methodology adopted in the research such as primary data and secondary data, method of data analysis, design of questionnaires, and statistical techniques used for analysis.

Chapter 2:  A general review of Japan and India.
This chapter deals with the general review of Japan and India such as economic structure, economic policy, geography and resources, communications and energy, education and employment, fiscal and financial, and business opportunities etc.

Chapter 3:  Theoretical background of Japanese management techniques.
This chapter deals with introduction and features of Japanese management techniques. This includes significant aspects of modern Japanese management, framework of Japanese management techniques, ideologies and Japanese management, Japanese approaches to management, and key objectives in the Japanese approaches and comparative study of Japanese and American management. This chapter also presents more details about Japanese management techniques such as Just-in-time, Kaizen, Lifetime employment, Emphasis on the group and group management in Japan, Seniority-based rewards, Non-specialized career paths, Emphasis on training, Self-discipline and harmony, Collective decision-making, Total quality management, Quality circle and Zero defect operations, Group responsibility, Company unions, Informal relationships and democratic participation, Ethical conduct, Holistic concern for the totality of employees’ lives, Attitude of Japanese workers towards work and authority and status symbols and use of titles.
Chapter 4: A profile of study area.
This chapter incorporates a profile of the study area denoting the historical perspective, the geographical setting, the social environment, and the cultural progression, along with the educational development in the very industrial city and the companies concerned.

Chapter 5: Review of past literature.
This chapter deals with review of past literature. It includes review of various reference books and articles published in various magazines, journals and newspapers by the various authors and researchers.

Chapter 6: Analysis and interpretation of data.
This chapter presents the analysis of questionnaires on Japanese management techniques. This part has been based on the results and discussions. It highlights the result and analysis of the data collected and conclusions are drawn with the help of suitable charts and diagrams.

Chapter 7: Conclusions and suggestions.
This chapter presents a summary of conclusions of the study. It also includes the suggestions are made on the basis of the conclusions are drawn from the study and fulfillment of objectives, testing of hypothesis and topic suggested for further research.

Appendix: I : Questionnaires.

Appendix: II : Bibliography and other references.