CHAPTER I
HIGHEDUCATION MANAGEMENT: TOWARD THEORETICAL UNDERSTANDING IN A JAPANESE CONTEXT

1.1 INTRODUCTION

In the postmodern world, the idea of higher education has changed. There is a shift in perceptions and priorities of institutions of higher education increasingly shaped by market mechanism. Higher education in Japan is now at a turning point due to globalization, technology and new market forces. In addition, the system is changing rapidly toward greater competition with the market principle and deregulation. The universities and colleges are compelled to reform themselves in order to cope with pressures from inside and outside their campuses: from inside through a logic of academism and from outside through a logic of accountability. This is creating both opportunity and challenges for colleges and universities and for society.

Policymakers and institutional leaders have to develop new policies and put forward global perspectives to attend to the need of a compatible system of higher education. They need to engage in a discussion of possible options for restructuring higher education. They

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2 Logic of academism relates to the pressure from inside academia and logic of accountability relates to society’s acceptance of market principles and mechanism. For detail, see, Akira Arimoto, University Reforms and Academic Governance (Hiroshima: Hiroshima publication, 2001), p.141.
must also carry on a responsible institutional planning. For this every institution needs a strategy of its own to help it to focus on what it will do best to thrive and to survive. This new trend towards competition is reinforced by new forces of change and academic institutions have become more complex. But some institutions particularly those unwilling to plan for the future or to address their shortcomings and change will run into trouble.³

In Japan, whether policymakers and academic leaders are capable of addressing these issues or not, on account of international competitiveness higher education will continue its direction towards globalization and market economy. These developments have caused people to think about the relevance of higher education in a realistic approach. Management and administration of all private, public and national colleges and universities have been interrogated in terms of efficiency, economy and effectiveness. Therefore, the debate on this issue has increased.⁴

Japanese management practice is being seen as unique and the most relevant before the turn of the 21st century. But today, it has undergone through change in terms of internationalization and globalization perspective. Theory X and Theory Y (McGregor, 1960)⁵ or

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⁴ Turner and Baba, n.1, pp.131-140.
⁵ Douglas McGregor gives a viewpoint of the nature of human beings in his theory X and theory Y based on a certain grouping of assumptions. His Theory X explains that people dislike work, are lazy, avoid responsibility, and must be coerced to perform. But in contrast to these negative views about the nature of human beings, his theory Y argues that people like work, are creative, seek responsibility and can exercise self-direction. Theory X emphasizes close supervision, autocratic and directive leadership, external and rigid control, coercive motivation, faultfinding with downward communication. Theory Y emphasizes participative decision-making, responsible and challenging jobs and good group relations with both downward and upward communication in management and problem solving. For detail, see: Stephen P. Robbins, Organisational Behaviour (New Delhi: Prentice Hall, 1996, 7th Edition) pp.214-15.
Theory Z (Ouchi and Jaeger, 1978) have changed dramatically over the years. There is no fixed management principle which is the best but it depends upon context and time. Within this new framework of change management, different problems and issues of higher education management need to be addressed. One of the important points is to look critically at the idea that the world today is distinctively different from earlier time due to globalization, technology and new market forces. The distinctiveness of this new period has given rise to certain important new issues. The agenda and direction of higher education management has been transformed and even if it is dominated by all time issues of finance, the other issues such as the search for internationalization, individuality and creativity, efficiency and excellence are more important. Moreover, the emergence of these new issues provides new managerial perspectives determined by the national or international context or situation.

In Japanese higher education the financial crisis was an issue that first attracted considerable attention but attempts to address it seriously began only in the 1990s. Very often the issue of financial crisis not only rise and fall in a specific context and for a specific reason but it talks about also a persistent problem that confront higher education. Around this structural problem of finance a number

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6 William Ouchi and Alfred Jaeger (1978) explain that long-term employment, consensual decision-making, individual responsibility, slow evaluation and promotion, implicit informal control, moderately specialized career path, and holistic concern are the hallmark of effective management. Theory Z is the combination of the Japanese and American approaches towards management.

of other interrelated issues arise that challenge the higher education management.\textsuperscript{8}

The question of management is linked to many problems and issues in higher education. It involves wide ranging and complex mechanisms of conflict and cooperation leading to a process of continuous and wide-ranging negotiations and decision-making system.\textsuperscript{9} The question how a problem or an issue can be managed is conditioned by differences of different values, aims and strategies. Thus, management is a matter of mechanism through which things can be handled and the interests of different group reconciled. Again, one of the most fundamental problems in higher education management is the contradiction between national state action and action through the concerned organizations. At the same time, there is inseparable normative and fundamental question – 'what might be the most effective form of management?' which Japanese higher education experts are looking for.\textsuperscript{10}

As the Japanese higher education management has experienced deep transformations over the years in terms of funding, constitution and regulation, changes have also become complex and controversial. These new changes also include fragmentation and uncertainty.\textsuperscript{11}


\textsuperscript{10} Atsunori Yamanoi, “Present Situation of the University Management”, Akira Arimoto ed., n.2, pp. 31-32.

\textsuperscript{11} This argument has been put forward by Kazuyuki Kitamura, a noted higher education expert and Professor of Waseda University, during a discussion with him at Waseda University, Tokyo on 28 September 2002.
However, in the context of higher education, management refers to responsibility for the strategic and operational aspects, and managers are seen as active agents of different situations to negotiate their reality, within a set of economic, social and historical constraints. On the one hand, managerialism includes concern for policies and practices to aim at achieving maximum efficiency and on the other hand, still aiming at value for money, it also attempts to reform organisational culture and to be enterprising and people centered.\(^{12}\)

Originally universities in Japan were established mainly to provide education for the elite and technical institutions were created for mass education. The two roles were differentiated in the prewar period. Now the prestige of the private university with some exceptions like Waseda University and Keio University is placed below that of the national and public university. The private university also functions largely as an apparatus for massification. In Japan, the private university is the largest sector. The reputation of the private sector has continuously increased with respect to number of institutions, students and academic staff. The proportion of students in the private sector has grown from 59.7% in 1955 to 64.4% in 1960, 75.0% in 1980 to 73.2% in 1996.\(^{13}\) This aspect of the Japanese higher education system is quite different from Western system where the public sector is dominant. If we compare it with the American system which also has a private sector, Japan is clearly different as the American public sector dominates the private sector.\(^{14}\)

\(^{12}\) Nafsika Alexiadou, n.9, p.412-435.


Japan started its higher education system in the late 19th century with the American model where very little government involvement was imposed on universities, especially on private universities. The central government soon realized the importance of the government's role in shaping the future of the nation and training national leaders through the nation's higher education system and they adopted a policy to strengthen their control over these institutions.

Japan's higher education system has a centralized bureaucracy with the Ministry of Education at its summit. It is within this framework that academic administration and management operates. The administration and management system differs between the two sectors. The national university administration and management possesses strong faculty autonomy and a committee structure with a 'bottom-up' operation. The Ministry of Education provides senior administrative officers to each national university to manage their fixed line item budget, staffing, and other regulated business. On the other hand, the private sector provides trustees with strong power as well as 'top-down' organizational operation. The chairperson of the trustees represents the private corporation and the business side of the enterprise whereas the president represents the academic side and is responsible for academic matters. In the national and public sector the president is elected by the vote of faculty members but in the private sector it is a committee of the trustees which selects the president. This kind of separation of administrative organization

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15 There are two types of models regarding the origin and development processes of higher education systems. In American model government involvement is less where government only sets minimum standards for founding institutions and expect the institutions to grow on their own. In European model the central government has extensive involvement in university governance which holds sanctioning power, financial responsibility and intervene in curriculum and research. See, Turner and Baba, n.1, p.133.
between the two sectors is intrinsic to Japanese academic organizations when compared to educational institutions within and with their counterparts in other countries.\textsuperscript{16}

\section*{1.2 THE PROBLEM}

In Japan, the emergence of new market forces and international competition has brought unprecedented challenges in higher education. The financial uncertainty has become more acute. Even some national universities facing financial crisis situation are thinking in terms of transforming themselves to private institutions.\textsuperscript{17} They are advocating the principle of privatization and corporatization.\textsuperscript{18} This has necessitated a fresh inquiry into different problems and issues in the present situation of management of higher education in Japan. Apart from financial uncertainty, value conflict\textsuperscript{19} is found to be another major problem. It has become difficult to follow the principle of equality neglecting the principle of excellence. Presently variety of other pressures and constraints having a major influence on higher education in Japan are its stagnant population growth, globalization and the new international competitive economic environment, developments in science and technology, concern about the environment and inequalities, increased cultural sensitivity and pressure for democracy and peace.

\textsuperscript{17} Arimoto, n.14, pp.199-210.
\textsuperscript{18} Kitamura, n.1, pp.6-7.
\textsuperscript{19} Arimoto, n.14, pp.199-210.
On the other hand, the Japanese government now provides positive incentives to encourage cooperation between business enterprises and universities, and recently this is encouraged even in the national universities. Institutions are seeking money and resources through Shogaku-Kihukin (donations), Kanmuri-Koza (chairs carrying the donors name) and through the establishment of regional collaborative research centres. A shift towards industry or business firm is likely to involve universities in profit making activities and short-term research may increase at the expense of basic long-term research studies.\(^{20}\)

But, it is important for academic institutions to commit themselves to a more rational open and visionary attitude in management and administration.\(^{21}\) Therefore, the present situation of higher education needs an explanation. Educational experts usually put more emphasis on financial uncertainty, arguing in favor of equality. But in the present era of globalization, technology and new market forces understanding the notion of management is crucial. This new development demands creative, dynamic manpower and calls for investigation of problems and issues of management of higher education in Japan for a better future.

1.3 APPROACHES TO THE PROBLEM

Higher education must respond to the changing management style both at the national and international level. With the new changes, some issues have become highly complex and this demands a deep

\(^{20}\) Ibid, p.207.

\(^{21}\) It has been very often found that, the two terms 'management' and 'administration' are used interchangeably and they overlap each other in their meaning. But, in his book *University budgeting for critical mass and competition* (New York: Praeger 1985), L.R. Jones, has approached this problem. He has pointed out that management is about planning, organizing, leading, controlling and using organizational resources. When management uses 'specific technique' (for e.g. use of some 'specific
insight into the problem. There are three important and recent management approaches to study higher education in Japan.

(i) Transformationist approach
Transformationist approach suggests that new forms of global interconnectedness bring in new changes in higher education. Again, higher education enters a totally new 'global age' of economic, political and cultural integration whereas globalization creates new kinds. This approach put forward the idea that globalization works both on and through higher education policy. This implies that higher education is not only affected by globalization, technology and new market forces but it has also become a principal mechanism by which global forces affect a nation. Moreover, the philosophy of 'change' is an important focus of this approach to enable new understanding.  

(ii) Democratic approach
With the growing awareness and necessity for democracy and peace in the international and national context, democratic approach in management has become more relevant. Today, most of the leaders of higher education apply 'soft pursuit' in decision making power. It has also been found that, maximizing voices and widening the circle of involvement, building a sense of equity and fairness, open and transparent information sharing and decisions making are the hallmarks of a democratic approach to make all the difference.

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23 I have taken this phrase from recent debate (2001) on follow-up action in democratic country like India in its change in policy approach. Very often 'soft pursuit' is used in opposition to 'hot pursuit'.
(iii) **Scenario thinking approach**

Scenario thinking is a way of looking at the future, which helps us widen our horizons, and avoids getting stuck with a narrow vision or a limited paradigm. It is not about predictions but it opens up our mind to macro vision and creates new possibilities. It helps the leaders to learn to cope with uncertainty. It starts from one precise point and replaces the false certainty of single track thinking by facing up to the multiple possibilities that an uncertain future hold. It is as much a state of mind as a set of techniques. Through this approach, we analyse what cannot be changed, look for the first signs of changes which might hold the keys to the future and hold multiple scenarios in mind as real possibilities.  

We can analyse this study through three types of management – responsive, proactive and entrepreneurial.

The responsive management is concerned with pragmatic accommodation to market-driven change and to market values. Change is seen as either a threat or an inevitable reality to be accepted, redefined and accommodated within a framework of pragmatic perspective. It gives participants a sense of involvement into decision making process and helps in establishing structures to accommodate existing realities through the management of information. It also creates conditions for staff to accommodate further possibilities for action within the existing structures.

The proactive management refers to greater acceptance of change compared to the responsive conception of management. It has active

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26 Nafsika Alexiadou, n.9, pp.425-431.
engagement with both the practices and some of the values of the market. It tries to balance the educational values of the institution to the new business requirements through selective appropriation of parts in accordance with the values on particular issues.

The entrepreneurial management is a radical departure from the previous two and it is related to high degree of engagement with the market. It is primarily concerned with the growth of the institution as a business, the increase of its market share and its establishment in the market as an economic force. Here, Total Quality Management (TQM) becomes very important because financial growth is promoted as the primary goal. This type of management suggests, the new rationality based on performance and underlined by economic considerations. It also makes a strong claim to the changing higher education management. However, the new corporate climate reflects ambivalence and ambiguity.

Thus from these three conceptions of management what emerges is that in this globalized context, there is a shift from competition to collaboration.28

1.4 THEORIES AND DEBATES
The modern and postmodern interest in studying the management of higher education in Japan begins with growing awareness in globalization, marketization and information revolution. These forces have brought unprecedented challenges giving rise to new problems

27 Total Quality Management (TQM) implies the constant attainment of customer satisfaction through the continuous improvement of all organisational process.
28 Nafsika Alexiadou, n.9, p.433.
and issues. Inadequate finance is one of the biggest problems for a long time.

Japanese higher education management has undergone some important shifts in theoretical orientation in recent years. The most significant among these has been an increasing preoccupation with the global competitiveness and with the process of internationalization. In the contemporary Japan, globalization and internationalization has provided a particular structural pattern within which debates are carried out on the most compelling issues and problems of higher education. This shift to globalized and internationalized perspective has raised fresh theoretical interrogations and has opened up new areas of research. 29

In Japan, the sixties and seventies witnessed interesting debates which in turn gave rise to new debates. But the issues they threw up could not be easily dealt with through the conventional economy centered 'frameworks' alone. The question of 'student movement' in 1969 was not debated merely by the academics but by all sections of the society. 30 The question of governance has also been raised afresh in recent debates. This debate has become particularly significant keeping in view the growing academic interest in the internationalization process.

The new trends and developments and different varieties of postmodernist and post-structuralist theoretical writings have made inroad to academic debates and Japan is no exception. 31 In the

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29 This argument has been raised by Kazuyuki Kitamura during a discussion with him at Waseda University. However, I found that he was more concerned with the problems of private universities.


31 See Barry Smart, "(Mis)understanding Japan", Theory Culture and Society, (London: Sage), vol. 13 No. 3, 1996, pp.179-192; In the same volume, see also Jacob Raz and Aviad E. Raz, "America Meets Japan: A Journey for Real between Two Imaginaries".
context of Japanese higher education, questions that were earlier considered insignificant have begun to be taken seriously. The most current debates on change and accountability are considered significant in the management of higher education. Again, there are many points of view propounded by theorists and experts of Japanese higher education – 'group interest policy making' (Pempel, 1977); 'immobilist politics' (Schoppa, 1991); 'political point of view' (Cummings, 1986); 'market mechanism' (Arimoto, 1997, 2001); 'over structuration' and 'political issues' (Amano, 1986); 'absence of responsible planning' (Nagai, 1978) and 'balance between resistance and change' (Kitamura, 1986).\(^{32}\)

\(^{32}\) T.J. Pempel says that there is always the presence of interest groups with opposing demands and they try to influence policy-making process in their favour. These groups affect higher education administration in Japan very much. L.J. Schoppa calls this 'presence' of interest groups in terms of 'immobilist politics' because it has been very difficult to take a decision with diversified interests. For detail, see T.J. Pempel, *Patterns of Japanese Policy Making: Experiences from Higher Education* (Boulder, Colo: West view Press 1977); and Leonard J. Schoppa, *Education Reform in Japan: A case of Immobilist Politics* (London: Routledge 1991). Again, William K. Cummings says that crisis in higher education in Japan falls and rise due to political reason. For him, Nakasone in Japan and Ronald Regan in U.S. were involved with such issues. Ikuo Amano also emphasises upon the same view point in Cummings' ed. book *Educational Policies in Crisis: Japanese and American Perspectives* (New York: Praeger, 1986). In the same edited book of Cummings, in part III, Kazuyuki Kitamura quotes Eric Ashby which states that the university could be "destroyed either by resisting pressures to change and so losing its viability or by yielding too rapidly to change and so losing its integrity." He also writes that in an era of increasing social interdependence and rising student consumerism, the survival and development of the modern university is highly dependent on finding a good balance between to provide the possibility for change and without sacrificing the integrity of the university. Michio Nagai's book *Higher Education in Japan: its take off and crash* (Tokyo: University of Tokyo Press, 1978) translated by Jerry Dusenbury points out that the present crisis in Japanese higher education stems more from the absence of a long term responsible planning based on an accurate historical understanding. Nagai reiterates the idea that, the changes in universities are largely result of radical transformation in the larger society especially business. He also advocates the point that inherent problems in university policy and management has not yet been solved in part. However, though this volume belongs to eighties, it has a far reaching and definitive point to view. Akira Arimoto says that a rationale for the existence of universities and colleges is likely to be sought in terms of their economic relationships with a focus on accountability and relevance. For this, see, Arimoto, n.14, p.199.
Though most higher education experts are in the business of promoting or planning for "change" in a specific content area, there is greater need for these experts to reflect on the processes involved. To explain this point of view, we can see the figures of change.

The organisational development managers or leaders who work in universities are often required not in bringing about change but in bringing about stability in a chaotic and unpredictable academic environment. Here, change is itself found to be the major problem. In figure 1.1 the change curve can explain this principle. It explains that an organization anticipates improvement in some aspects and introduces change. When changes are actually introduced, the immediate result is a decline in the primary index of success. This is

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because the other parts of the system need time to adjust to change. New skills, knowledge and attitude must be acquired by those critically involved in the change. Therefore, many organizations will change once again reverting to the old way or trying another new way, and then a new change curve is initiated. But, again the performance levels decline even further and another is needed. At this point, the organization is experiencing a downward spiral and is in need of stabilization. However, thoughtful reflection on the lessons learned from the previous disaster, and patience in allowing the new change may be needed.

Now, the question is how can one deal successfully with the change curve when introducing new idea in policy, procedure or structure in a university? One must acknowledge the existence of the change curve and recognize that a deterioration in performance and moral is likely to come about when a new idea is introduced. University can not withstand this period and the change effort may have to be delayed until the institution is more fully prepared. The change curve will be less drastic if one or more of the forces that bring about the decline are eliminated or at least considered. So, it is important that substantial training and education is to be introduced prior to the initiation of the change.

The Evolutionary change illustrated in figure 1.2 explains that evolutionary change is minimal and may represent no qualitative difference from the immediately preceding one. It can be considered transitional rather than transformational. This change becomes a part of 'normal science' rather than 'paradigm shift'. This type of change is more acceptable in the slow, progressive movement toward specific
goals. However, the problem is that the sense of direction and motivation found at the beginning of the initiative may disappear. The revolutionary change figure 1.3 states that change represents a profound transformation in the institution: a paradigm shift. During the course of the change, the motivation to begin the change and the sense of the direction do not get lost. But level of stress and resistance to the transformation is too high. For this, power and manipulation are required to bring about this type of change. This type of change which takes place in a short span of time is suitable for corporate environments and it is not suitable for collegial and negotiating management.

Temporary systems (figure 1.4) offer a model for educational institutions that combines the best of both the evolutionary and revolutionary strategies. At a certain point, a temporary system is established in which a short-term revolutionary change can occur. Here, faculty and administrators can discover what the results of implementing the plan will be, whether it is feasible and whether or not it is truly desirable. A provisional system provides people involved in change with renewed motivation to continue the effort, provided the results of the process of change at the beginning are found to be desirable. If the change at the beginning is successful, this type of change provides a greater sense of direction.

From postmodernist perspective we see that power and knowledge are intimately connected. In Japan, politicians, bureaucrats and businessmen have created a contesting space over time influencing higher education. Again, globalization is also itself a contested term for a contested process. Therefore, the theoretical framework upon which the present study is based argues that organizational change is
an ‘inevitable’ situation and it is complex leading to “complex interdependence”. The Japanese higher education enterprise as a postmodern organisation must learn to forget the past and change for a better future.