Deployment of Human Relations in Japan after World War II

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ABSTRACT
This paper discusses the deployment of human relations in Japan, especially issues regarding the transformation of labor relations and those in the management system. Conditions for the deployment of human relations varied significantly between two nations. In Japan, human relations methods were deployed in response to both the conflict between labor and management, which was a result of the regal recognition of labor unions and the growing labor movement, and the need to modernize management. As a result, human relations methods based on labor relation reforms in the United States were promoted. However, in general, many factors influence the introduction of human relations. Therefore, this paper discusses the deployment of human relations with regard to environmental factors such as labor relations, the worker participation system (the codetermination system), management values and traditions, and market structure. Furthermore, based on these discussions, it also analyzes the Japanese characteristics regarding the deployment of human relations.

Keywords: Americanization • Human relations • Labor relations • Management system • Productivity movement

INTRODUCTION: RESEARCH PROBLEMS
As European countries did after World War II, Japan developed enterprises, industries, and its economy by deploying and adapting technology and management methods from the United States. The US-led Productivity movement promoted the transfer of US technology and management methods to Japan. This country as a defeated nation also received significant American leadership and support after the war. Most technology experts and managers in Japan desperately attempted to introduce all the aspects of American technology and management practices [1, pp.9-22; 2, p.219].

In the period immediately following the end of the war, productive forces and economic might significantly differed between European nations and the US as well as between Japan and the US. Thus, “catching up” became one of the most pressing issues in each country. The deployment of US technology and management methods greatly contributed toward addressing this issue; the requisite conditions for achieving this goal were created with US guidance and assistance. The major American management methods implemented in these countries were (1) management and production systems (human relations, industrial engineering, statistical quality control, and Ford System), (2) management education, (3) methods for adjusting to a mass market (marketing, public relations, and operations research) and (4) divisional structure.

Among these American management methods, the United States viewed the transfer of human relations to European countries as particularly important for the American-led productivity as well as management education [3, S.173; 4, p.33]. A problem common to OEEC member nations, according to the US, was the need to remove restrictive practices by labor unions, thus strengthening the development of free labor unions [5, p.17]. Through its assistance to West Germany, the US expected to resolve union collective bargaining at the corporate level, not the
national level [5, p.40]. In Europe, US business and political leaders pushed for the adoption of labor relations along the lines of the US model, which would be based on the “human relations” approach. To demonstrate the benefits of US-style labor relations, the US Technical Assistance and Productivity Program supported trips to the US for workers and employer representatives from Europe [2, pp.197, 199].

On the other hand, in Japan that was a late developing country, necessities to modernize management were much greater than in Germany and human relations played an important role in increasing corporate modernization efforts after the war. However, in Japan, there were the unique conditions in the deployment of human relations. Many factors influenced the introduction of such American management methods.

Many studies approach the deployment of human relations in Japan. However, these studies do not always identify which elements of American and Japanese management methods were combined, how they were hybridized, and which factors determined the hybridization (for these studies see books and articles cited in this paper). It is very important to elucidate how Japanese-style business management and its particular characteristics, conforming to Japanese conditions while still bearing on the Japanese management style, surfaced during the deployment of the American management method from the perspective of structural analysis. This paper will consider the problems stemming from the Japanese method of conforming to the American method, impacted by traditional and cultural factors in business management as well as institutional factors, and its relationship to the structural characteristics of Japanese capitalism.

This paper attempts to explain the details of hybridization and the process of modifying US management methods. It is very important to elucidate how Japanese-style business management and their particular characteristics, conforming to Japanese conditions while still bearing on the country specific management style. This paper considers the problems stemming from the Japanese method of conforming to the American method, impacted by traditional and cultural factors in business management as well as institutional factors, and its relationship to the structural characteristics of Japanese capitalism. It discusses the deployment of human relations in relation to the problems of transformation of labor relations and those in the management system.

First, social and economic backgrounds regarding the deployment of human relations in Japan will be examined in Section 2. The deployment of human relations in Japan will be considered in Section 3. Furthermore, based on the aforementioned discussion, the characteristics regarding the deployment of human relations will be clarified. In Section 5, concluding remarks will be indicated.

SOCIAL AND ECONOMIC BACKGROUND REGARDING THE DEPLOYMENT OF HUMAN RELATIONS IN JAPAN
This section considers social and economic background of human relations deployment in Japan. Human relations played an important role in Japan's increasing corporate modernization efforts after the war, as the legal recognition of labor unions and the growing labor movement heightened the conflict between labor and management. This environment called for new management methods based on the family system, feudal family relations, as well as the irrational familial and paternalistic human relations that labor management had previously relied upon. Human relations was deployed in response to this demand. Small- and medium-sized businesses, in particular, demanded further reforms to labor management.
methods and proceeded to deploy human relations under the direction of business associations and the Japan Productivity Center. Within larger corporations, human relations was used particularly to improve corporate consciousness and as a labor union countermeasure with regard to the lifetime employment system [6; 7, p.221; 8, p.20]. Under the movement towards the democratization of management, transforming pre-war, irrational human relations into those compatible with new management became the goal of human relations management in industrial enterprises. This was one of the Japanese characteristics regarding the deployment of human relations [8, p.20; 9, p.18].

At that time, in the iron and steel industry, the topic of human relations garnered interest and became one of the arguments in the 5th Iron and Steel Committee of the International Labor Organization (ILO) in 1954 [10, p.985]. In addition, some study groups were dispatched to the United States as its development of the productivity movement and knowledge regarding the conditions of human relations deepened. Moreover, in Japan, the promotion of rationalization countermeasures for workers were strongly demanded. These changes promoted the introduction of human relations in the country.

Furthermore, with the progress of innovations and changes in the work process, it became increasingly important to determine how each company could improve the morale of its workers [6, pp.76-77; 11, p.294]. For instance, at the Nissan Motor Corporation, with the rapid development of new products and the modernization of equipment around 1954, attempts were made to improve the constitution of human relations [12, p.291].

**DEPLOYMENT OF HUMAN RELATIONS IN JAPAN**

**General Conditions Regarding the Deployment of Human Relations**

Next, this section examines the deployment of human relations in Japan. First, we examine the general conditions of human relations deployment. Various measurements concerning communication within companies were adopted for the first time between 1951 and 1952 [13, p.8]. First, a morale survey of employees was administered by Professor Kunio Odaka from the University of Tokyo in the Kawasaki Ironworks of the Nihon Steel Corporation [14, p.5]. At this point, the period from 1947 to 1951 can be regarded as the years in which theories and ideas of human relations were first presented while the period from 1951 to 1955 can be referred to as the period in which human relations measurements were first introduced. In contrast, the period after 1955 can be considered as when human relations were diffused and efforts to deploy such an American management method reached a turning point [6, pp.67, 74; 15, p.146]. The various measures of the human relations morale survey were based on the premise of human relations management and the use of company newsletters as the fundamental means of communication. Conversely, the use of suggestion systems was the basis of participation in management [9, p.21]. However, in the early 1960s, individual measures were only introduced dispersively, and there was no equal human relations based on matured self-consciousness in the modern sense. Under such conditions, sufficient development of American human relations management methods, which were based on modern human relations, faced certain limitations [16, pp.185, 189-190].

This section analyzes the general conditions of human relations deployment based on several survey results. According to an investigation in July 1956 by the Japan Federation of Employers’ Associations, the number of enterprises in manufacturing industries in which the introduction of human relations advanced was 63 among the 87 companies that responded. Upon closer examination of the number of firms that were implementing human relations measures, six utilized company newsletters, five employed the suggestion system, seven used morale surveys, three conducted workplace roundtable conferences, one simply promoted the
company handbook for employees, and two offered tours of the plant for employees’ families. Including companies that were planning to introduce human relations methods, the relevant numerical values were 11, 9, 12, 4, 2, and 2, respectively. Interest was also high with regard to democratic personnel management, promotion of ingenuity based on employee’s autonomy, improvement of morale through the early detection of workers’ discontent/dissatisfaction, and the establishment of a work environment based on such information. However, at this stage, some firms did not introduce human relations methods despite their high interest. Therefore, at that time, the realization of human relations management had not yet become a general phenomenon [17, pp.1, 13-14].

According to another survey administered in December 1956 by the Japan Federation of Employers’ Association, all the participating companies were interested in human relations management, and many recognized its necessity. Above all, measures for communication were implemented in most of the enterprises. In addition, the rate of the firms that administered morale surveys or opinion surveys to employees ranged from 30% to approximately 40%. In contrast, the usage rate of personnel counseling or grievance disposition systems was relatively low. However, during this period, human relations management methods had been adopted in a considerable number of enterprises. Moreover, the implementation rate of various measures increased considerably in four or five years until the end of 1956. Thus, a shift can be seen from the introduction and implementation stage to the spread of human relations management. In terms of the reason for such interest and necessity by the firms, the rate of “in-house human cooperative relationship” was 78.2%. The relevant numerical values of “sufficiently communicating the intention of the company” and “productivity improvement by the rise of morale” were 49.4% and 44.3%, respectively. Therefore, improvements within in-company communication and morale were particularly emphasized.

In terms of individual measures of human relations, the usage rate of communication was 97.7% while the relevant numerical values of opinion surveys or morale surveys and personnel counseling or grievance disposition were 37.9% and 49.4%, respectively. Regarding the methods for communication, company newsletters were adopted in 69% of the enterprises while measures for communication between employees and managers were implemented in 90.8% of the companies. The usage rate of workplace roundtable conferences was 48.4%. In contrast, the usage rate of personnel counseling was only 16.7%. Thus, this method was the least-used measure. Although the usage rate of grievance disposition was 45.2%, the important issue was how to apply and use such a measure based on Japanese circumstances. In addition, the usage rate of enterprises that utilized labor management, roundtable conferences, joint labor management consulting committees, and informed trade unions was 78.2%. In contrast, the usage rate of companies that established production committees was only 31%. However, the usage rate of firms that held production committee meetings on a regular basis was approximately 92%. The diffusion rates regarding family communication through public relations activities, plant tours, and home visits were approximately 30%, 26%, and 22%, respectively. These figures were lower than those of other measures of human relations management [18, pp.1-5, 8-14, 16-18, 20-22].

Furthermore, according to results of a survey in December 1963 by the Japan Federation of Employers’ Association, the suggestion system was used the most as bottom-up communication from employees to the management (71.6%). Even in small and medium-sized firms, the relevant numerical value was more than 50%. Conversely, company newsletters were the most popular top-down communication measure (84.9%). However, there were differences based on firm size. The usage rates of newsletters in companies with fewer than
100 employees and those with fewer than 300 but more than 100 were 20.6% and 49%, respectively. While the proportion of companies that established workplace roundtable conferences was 58.2%, the usage rates of morale surveys or opinion surveys and handbooks for employees were 28.6% and 13.9%, respectively. The usage rate of enterprises that adopted an employee interview system was 23.8%. We can see an important characteristic of Japanese management in human relations management with regard to the entire family. The proportion of family recreation policy implementation was 31.9%, and these policies prevailed in terms of measures for such purposes. Meanwhile, the diffusion rates of family communication, plant tours, and home visits were approximately 20%, 20%, and 12.4%, respectively [19, pp.5, 27-29, 66-67].

While the diffusion of human relations progressed in large enterprises, its introduction in small and medium-sized firms was delayed. There were even aspects of paternalistic and family-like labor management in small and medium-sized businesses. However, in-firm communication and coordination between labor and management were insufficient. The formation of modern human relations was an important problem in overcoming such limits of personnel management. Therefore, the deployment of human relations gradually progressed in small and medium-sized businesses after 1957 [6, pp.179-180]. Human relations was also used directly as a promotional means for enterprise consciousness and countermeasures to labor unions connecting with systems such as lifetime employment in large businesses. Conversely, in small and medium-sized firms, the main goal of human relations management was the improvement of productivity and production growth. There are many cases in which methods of human relations were used to secure low-wage systems and agreements between companies. In addition, institutions such as the Japan Federation of Employers’ Associations and the Japan Productivity Center guided the deployment of human relations in small- and medium-sized firms and introduced new labor management systems to improve the constitution and rationalization of subcontracting companies as well as small- and medium-sized firms [6, pp.181, 191-192; 20, pp.49, 51-52].

**Deployment of Various Methods of Human Relations**

This chapter has considered the general conditions of human relations deployment in Japan. Based on the previous discussions, this section examines the deployment of various methods of human relations in further detail.

**Company Newsletters**: In the iron and steel industry, company bulletins were introduced as a measure of in-house communication around 1948. In those days, bulletins and notices were published to provide information to trade unions and improve human relations. As stated earlier, the issue of in-firm communication was emphasized in the 5th Iron and Steel Committee of the ILO in 1954 [10, p.985].

At the Kawasaki Steel Corporation, the “Kawasaki Steel Newspaper” was published as a newsletter in addition to the "Newsheet" as a formal means of public relations within the company. By 1957, business establishment “tip-offs,” which included detailed information and news about certain colleagues, were published in every business [21, p.505]. At the Hitachi Shipbuilding Company, human relations management occupied an important position in labor management from 1955 to 1965, and company newsletters were published to improve the morale of workers and increase their cooperation in the workplace. More specifically, this enterprise published the “Hitachi Shipbuilding Newsletter” beginning in September 1951 and the “Labor Special Future” beginning in September 1954. In addition, various businesses published “tip-offs,” such as factory reports, as a means of communication between general employees, managers and supervisors, and their families [22, p.397].
According to a survey by the Japan Association of Corporate Executives in 1963, the rate of firms that published newsletters was 80%. The relevant numerical value in enterprises with total assets of more than 20 billion yen was 95.7%. The proportion of firms that emphasized “information on internal news” was 72.9%. In terms of relevant numerical values, “friendship and exchange among employees,” “informing management policy widely,” and “conveying the conditions of the company” were 64.9%, 58.7%, and 56.1%, respectively [23, pp.3-5].

Many companies intended to promote cooperative consciousness to not only workers but also their families through the use of company newsletters. Therefore, the characteristic of human relations can be found in the “management by the whole family.” The aim of such a movement was to substitute the family for the preservation function of labor, which should have been initially preserved by the company [6, pp.96, 105, 107].

**Suggestion Systems:** Although there were many aspects concerning prewar commendation, contrivance systems, and job instructions of TWI, the number of followers were few, and the effect of mutual communication was small [10, p.985]. However, after 1955, when the productivity movement began in Japan, the number of firms that implemented suggestion systems rapidly increased. For example, an investigation by the Japan Federation of Employers' Associations in October 1957 clarified that the rate of companies that utilized a suggestion system as an independent system was 82.4%. In addition, the proportion of firms that implemented it within four years was 70.4%. Thus, many companies began to adopt such systems during the latter half of the 1950s [24, pp.1-2].

By the early 1960s, suggestion systems were introduced in most of the main companies. With regard to other enterprises, one survey clarified that suggestion systems were implemented in more than half of the participating firms. There are various reasons for such usefulness and the significant role they played in human relations and the coordination of employee management [25, p.16].

According to a 1963 survey by the Japan Association of Corporate Executives, 75.2% of firms included suggestion systems. Concerning its adoption by period, the proportion of companies that introduced it by 1958 was 49.4%. The relevant numerical value of firms that adopted it between 1959 and 1962 was 37.4%. Most of the contents of the systems focused on “the improvement of production technology,” for which its rate was 70.9% while the rate for “business procedures” was 15.9% and that for “product policies” was 8.2% [23, pp.125-129].

Although suggestion systems were important measures for communication between employees and management, the deployment of human relations in Japan was based on supervisor training methods created in the United States and related to education for job improvement [25, p.17]. In fact, many Japanese firms introduced suggestion systems to follow up on the job modification movement begun by TWI [26, p.201]. Meanwhile, in the United States, suggestion systems were developed as a means of consultative management for promoting employees' self-consciousness and grievance disposition. In contrast, suggestion systems in Japan were developed based on job methods of TWI, not as a measure for mutual communication. A 1958 report by the productivity inspection team of industrial training in the Japan Productivity Center pointed out that it was necessary to re-examine the suggestion system approach to establish it as part of communication programs [27, p.15]. For instance, at the Kawasaki Steel Corporation, the introduction of a suggestion system for improvement dates back to the deployment of TWI in the early 1950s. This company recognized the necessity of a suggestion system to improve the effect of TWI, after which it established the...
education subsection at the central office in July 1954 and reconsidered a company-wide education system. Under such conditions, the suggestion system for improvement, established in 1955, had become an effective means of raising employees’ awareness of human relations management [21, p.416]. In this way, the suggestion system was introduced as not only a means of communication but also a measure for improving human relations within the company.

With regard to the method of submitting a suggestion, in Japan, they were generally submitted through the manager, which is another characteristic of the suggestion system in Japan and not other countries [25, p.17]. For example, according to a survey by the Japan Federation of Employers’ Associations in October 1957, the rate of submitting a suggestion through the head of the section to which the employee belonged was 47.1%, which exceeded the rate of the ballot box method (21.9%). The former method aimed at making managers immediately grasp the situation and involving them to make certain improvements [24, pp.4-5]. Concerning the attitude of employees toward the suggestion system, the same survey found that they were generally cooperative (10.4%) while the relevant numerical value of the companies was 60.9% [24, p.18].

Suggestion systems were implemented to rationalize rather than serve as a means of communication between employees and management. For instance, at the Nissan Motor Corporation, a suggestion system was adopted in June 1955 to determine the effect of company-wide cost reductions made the year before. In this case, obtaining suggestions from the employees in each factory was an effective way to realize such effects [12, p.295].

**Attitude Surveys:** Morale surveys began to be implemented in the latter half of the 1950s. However, this movement only relied on standardized styles, especially because interviews were somewhat unreliable. During this period, a few cases utilized survey results for business management [24, p.15]. In addition, attitude surveys by professional counselors were limited, whereas those administered by upper management were numerous. This was related to the general foreman’s role of consulting with subordinates, which was primarily introduced in the iron and steel industry [6, p.144]. For example, the Nihon Kokan Corporation implemented a morale survey in 1952 and used its results to improve the foreman system [10, p.985].

According to a 1963 investigation by the Japan Association of Corporate Executives, the proportion of firms that implemented attitude surveys in the previous three years or more than three years earlier were 27.5% or 7.4%, respectively (total value 34.9%). However, the rate of enterprises that did not conduct a survey over the previous three years was 64%. Among the firms that did implement an attitude survey over the previous three years, the rates of “finding of dissatisfaction and groan of employee,” “grasping an employee’s sense of belonging to the company,” and “discovering a communication bottleneck in the company” were 48.9%, 27.8%, and 12.8%, respectively [23, pp.133-136]. Overall, attitude surveys gave a certain “scientific basis” to labor management, and they were useful as a means of rationalizing labor management and conducting labor audits [6, p.138].

**Grievance Disposition Systems:** Although such systems have been discussed in previous articles by employers, there were only a few cases in which grievance disposition systems were actually used in the early 1960s. In this system, it was necessary to provide training to enhance the abilities of managers and supervisors at the lowest levels so grievances could be effectively handled. Despite such a need, such training was limited. With regard to this point, there was a considerable difference between Japan and the United States. In terms of the latter, responsibilities were given to foremen, and most of the complaints were settled at the
workplace level [27, pp.13-15; 28, pp.30, 33; 29, p.150]. However, in Japan, complaints were not considered through collective bargaining but through the use of grievance disposition systems [31, p.210]. For instance, at the Nissan Motor Corporation, a written agreement concerning grievance dispositions was made between labor and management in December 1952 to raise productivity and democratize the workplace by improving in-firm human relations [12, p.296].

**Personnel Counseling System:** As mentioned above, this measure was not widely used in human relations. Such a situation did not change even in the 1960s. According to a 1963 survey by the Japan Association of Corporate Executives, only 14% of firms utilized a personnel counseling system while 83.9% of companies did not use such a system. During the period when this system was adopted, 30.8% of enterprises introduced it by 1958. Thus, the adoption period of personnel counseling systems was later than that of the suggestion systems. For instance, in companies that provided personnel counseling, most of the consultations (between 1960 and 1963) were issues that occurred due to job transfers and reshuffling personnel. The rate of such counseling was 25% among companies that had a personnel counseling system. Consultations concerning issues of human relations at the workplace accounted for 23.5% [23, pp.125, 127, 129, 131-133]. According to these findings, the deployment of a personnel counseling system was not advanced compared to other measures of human relations.

**Welfare Service Measure:** This important measure focused on psychological and ideological effects rather than economic effects as part of human relations management after World War II [32, pp.648-649]. A report on company welfare programs in April 1968 by the Council for Industrial Structure noted a change in the emphasis of welfare service to human relation functions [33, pp.74-75]. In the pre-war period, welfare measures were implemented based on certain principles and paternalism. However, with regard to corporate objectives, a welfare service system can help improve productivity by reinforcing employees’ sense of belonging to a company [6, pp.151, 154-155].

According to an investigation in FY1953 by the Japan Federation of Employers’ Associations, the percentage of measures related to housing was 27.8%. The relevant numerical values concerning culture, physical training and recreation, livelihood assistance, and the mutual benefit system were 21.4%, 17.4%, and 9.1%, respectively [34, pp.1, 3]. Another survey by the Japan Federation of Employers’ Associations in October 1958 pointed out that similar numerical values were 82.7% regarding housing, 79.4% concerning recreation, and 71.4% with regard to culture and physical training. These measures were used in many companies. The relevant numerical value concerning an in-house deposit system for employees was 38.2%, and this system indicated a certain rate of diffusion [35, pp.1, 108-109]. According to a 1963 survey by the Japan Association of Corporate Executives (overlap answer), the rate of welfare services items emphasized by the company were as follows: 52.3% for housing and assistance with housing expenses; 43% for medical, health, and sanitation facilities; 37.6% for assistance with cultural and physical activities; 25.8% for internal lending systems; 22.3% for dining and assistance in food expenses; and 21.7% for various types of recreational activities. The rate of firms that intended to increase welfare expenses was 60.7%. Therefore, the improvement of morale was especially emphasized as the purpose of having a welfare program [23, pp.146,148,151-152].

This chapter has examined the implementation of human relations in Japan. Based on these discussions, the following section considers the deployment of human relations in Germany.
JAPANESE CHARACTERISTICS IN THE DEPLOYMENT OF HUMAN RELATIONS

Based on the foregoing discussions, this section considers Japanese characteristics in the deployment of human relations as conclusions of this paper.

In Japan, methods of human relations were deployed in order to respond to the need to replace management methods based on the internal paternalistic and familial relations with modern management style. The conflict between labor and management as a result of the regal recognition of labor unions and growing labor movement called for reforms in management methods, and human relations was deployed in response to this demand. Therefore, the broad deployment of various human relations policies typically included company newsletters, suggestion systems, employee attitude surveys, human resource consultation, and employee welfare activities along with an emphasis on labor harmony within the deployment of human relations [6; 7; 8, p.20]. However, Japan’s management culture, with its characteristic paternalism, life-time employment, and seniority order system, was not fully prepared to deploy and commit to the original American-style human relations model.

In the United States, some industrial trade unions were horizontally organized by the industry. In contrast, Japanese-style enterprise trade unions were formed only from labor relations built on lifetime employment. Labor unions’ basic units of activity were formed according to individual corporations; thus, labor conditions were negotiated and agreed upon according to individual corporate conditions, and would generally not go beyond those bounds [36, pp. 10-13, 105-106; 37, pp. 367, 371-372; 38, p.9; 39, p.513; 40, pp.10-13, 105-106]. Unlike the United States, where rationalism prevailed and wage levels were high, in Japan, aspects of human relations were deployed while being combined with Japanese human relations that emphasized “-isms,” such as “family-ism” [7, p.221]. Tendencies toward paternalism and management philosophy based on “family-ism” were strong. When human relations were forcibly introduced, a mixture of management styles based on “family-ism” and human relations management easily emerged [9, pp.20-21; 29, pp.30, 34]. According to the aforementioned survey in 1963 by the Japan Association of Corporate Executives, 75.6% of firms did not consider informal organization at the workplace an important issue in business management, whereas the proportion of companies that did was only 20.6% [23, pp.143-144]. The difference between Japan and the United States with regard to this point is an important characteristic.

In Japanese companies, human cooperative relationships and improvements in communication were especially emphasized. This was related to the lack of dialogue between labor and management. In addition, there were differences of conditional structures between Japan and the United States and between Japan and Germany, which determined the morale of workers [41, p.12]. For instance, foremen primarily serve as the front line in the enforcement of human relations. Thus, they have the broad authority to manage employee affairs and implement efforts to improve human relations, as seen in the United States [42, p.7]. However, in Japan, there were many cases in which such authority was not delegated to the foremen in the workplace [30, pp.19, 34]. This had a significant influence on the introduction and development of human relations.

The system of worker participation in management did not wait for new laws or other forms of governmental intervention. Rather, participation voluntarily occurred in small group activities with QC circles or joint labor-management consultation systems, which negotiated and discussed labor-management issues on the basis of premise of creating trust-worthy relationships between labor and management. However, a legal codetermination system, such as that in Germany, did not exist at the plant level and certainly not at the top-management
level. Joint labor-management consultation systems proliferated with the collaboration of labor and management as per the productivity movement of 1955, and gradually took shape through discussions of productivity improvement issues [43, pp. 101-102; 31, pp. 205-206, 210; 44, pp.17-18].

In Japan, joint labor-management consultation systems differed from collective bargaining and were established on the foundation of horizontal corporate labor relations through enterprise trade unions. Taken from systemic and functional perspectives, that collective bargaining and joint labor-management consultation systems, essentially heterogeneous, became tightly woven together were characteristic to Japan's systems [41, p. 105, 108-110, 112-113; 44, p.55]. In other words, official collective bargaining as defined by collective agreements was done formally and tended to be extremely rare; collective bargaining became a mere façade [31, pp.209-210]. Further, matters of labor conditions were the focus of not only collective bargaining but also the joint labor-management consultation system, which occupied a greater position. Japanese-style labor relations were oriented toward labor-management consultation, and even in collective-bargaining matters, in which there existed conflicts of interest, issues tended to be resolved harmoniously and in the unique manner of the joint labor-management consultation system [43, pp.117-118, 123-124].

The structural characteristic determined by various conditions, such as Japanese labor relations and the social consciousness of employees, must have had a significant influence on the introduction and development of human relations [45, p.24]. Characteristics seen in the backwardness of management in Japanese industrial enterprises and complication of industrial relations were factors that did not make the introduction of human relations as efficient as it was in the United States [46, p.7]. In large enterprises, the broad introduction of human relations measures and the formation of cooperative relationships by them were promoted while being determined by groupism under the labor market that focused on lifetime employment and senior wage systems [11, pp.294-295; 47, pp.14-15; 48, pp. 9, 13]. However, there were paternalistic relationships of mutual trust in Japanese enterprises. Therefore, it was not always suitable to introduce several techniques developed in the United States based on cold, contract-like human relations [11, p.295].

The fact that suggestion activities played a significant role in improving product quality and the morale of workers in Japanese enterprises was also deeply connected to collectivism. In this regard, although the deployment of human relations and TWI influenced the introduction of suggestion systems, the purpose of such systems was to improve production and efficiency rather than create good human relations in the workplace through two-way communication.

CONCLUDING REMARKS

From the perspective of this paper, to improve productivity at the time of introducing the American management method, the measures and elements that were directly related to improving “efficiency” (economic efficiency) were concerned with the development of productive forces; therefore, these principles were relatively, proactively, and widely introduced.

In contrast, there were many aspects of American-style management that did not necessarily conform at the time to the conditions in Japan. These included productive forces, in particular, aspects with American characteristics, such as the culture and relationships shared among labor and management, value for management, management style, and management tradition/culture. Therefore, in many cases, there was strong resistance and opposition that
prevented the introduction of these aspects, and it was only possible to introduce them by modifying them in the process.

Furthermore, in reality, there were many cases wherein they pursued the Japanese method of management, in regard to productive factors, even though mechanisms and principles for improving efficiency were introduced. In particular, due to the influence of Japanese corporate traditions and management values and various systemic factors within companies, and industrial relations, many Japanese companies sought the Japanese-style adaptation. Zeitlin's research emphasizes the active altering of the American Model. Here, Zeitlin points out that there was selective adaptation of American technology and management that was tailored to the local environment, and that creative modifications and innovative hybridizations were observed. However, these modifications and hybridizations should not be understood as a negative phenomenon or indications of domestic resistance to the transfer process, or even as the mark of inevitable compromise. Rather, they should be realized in the positive light, i.e., the modifications originate from experimental work and innovative learning [49, pp. 11–20].

Thus, the people involved in the industry took advantage of their experience, accumulated while decomposing, modifying, and re-concentrating the elements of the American model to best fit the local environment. By doing so, they reinterpreted, modified, and at times changed their country's practices and systems. Japanese industrialists had significant existing knowledge of American-style practices. Zeitlin points out that Japanese industrialists' prior familiarity with American-style practices enabled them to treat US technology and management not as a unitary model to be imitated wholesale, but rather as a suggestive point of departure for selective adaptation, creative modification, and innovative hybridization [49, pp. 38, 40–41].

The following mix of American and Japanese factors in management systems can also be discerned. First, hybridization of American human relations and human relationships based on Japanese family-ism. Second, mix of American methods based on cold contracting human relations and Japanese methods emphasizing behavioral patterns based on collectivism.

**Table** visualizes the conditions surrounding the introduction of American human relations methods in Japan and the factors defining it, based on the discussion so far in this paper.

When considering the deployment of human relations in relation to important factors that effected on the implementation of such American management methods, influences of management values and management traditions and cultures, such as management values based on Japanese collectivism and mutual trust between company members can be seen in the following points. Japanese norms vis-à-vis the deployment of human relations, such as seen in methods of human relations management including the entity family and mix of managerial family-ism and human relations management were also examples of the influence of management values based on collectivism. Family-ism and paternalism before the war and management values based on “trust relationships” rather than “contract relationships” influenced the deployment of human relations.

Next, examining the institutional factors impacting the Japanese-style of adaptation in the process of Americanization, the framework of collective agreement and its Japanese characteristics led to a tendency to avoid collective bargaining. In large companies, human relations methods were deployed as a mechanism for in creasing corporate consciousness and countermeasures to trade unions under labor relations with the three basic pillars of lifetime employment system, seniority wage system, and enterprise trade unions. Such Japanese
cooperative labor relations promoted the deployment of human relations with the purpose of rationalization such as job improvement and increase of work efficiency at workplaces based on close relationships between supervisors and subordinates. However, supervisor system with insufficient delegation of authority to low level managers at production spots influenced on the deployment of the grievance disposition system. Deployment of various measurements concerning communication within companies was emphasized due to lack of legal institutions for communication between management and labor, such as work councils in Germany.

### Table Conditions surrounding the introduction of Human relations in Japan

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<tbody>
<tr>
<td>Overall Conditions in the Deployment of American Management Methods</td>
<td>• Deployment of human relations for the purposes of modernizing and democratizing management after the war</td>
<td>• Japanese ways of deploying human relations, such as seen in methods of human relations management including the entity family</td>
<td>• Hybridization of American human relations and human relationships based on Japanese family-ism</td>
<td>• Undeveloped labor relations before the war (necessities to overcome it)</td>
<td>• Management values based on ‘trust relationships’ rather than ‘contract relationships’</td>
<td>• Labor democratization and enhancement of labor movements</td>
<td>• Influences of labor market based on lifetime employment system</td>
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<tr>
<td></td>
<td>• Broad deployment of human relations measures</td>
<td>• Deployment of human relations as a measure for increasing corporate consciousness and countermeasures to trade unions in large enterprises</td>
<td>• Hybridization of American methods based on cold contracting human relations and Japanese methods emphasizing behavioral patterns based on collectivism</td>
<td>• Labor democratization and enhancement of labor movements</td>
<td>• Influences of family-ism and paternalism before the war (necessities to transform them)</td>
<td>• Lack of legal institutions for communication between management and labor</td>
<td>• Influences of labor market based on lifetime employment system</td>
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<td>• Deployment of human relations determined by collective behavioral patterns in companies and corresponding promotion of cooperative relations in workplaces</td>
<td>• Important role of human relations as foundation of manufacturing in combination with Japanese improvement suggestion activities</td>
<td>• Important role of human relations as foundation of manufacturing in combination with Japanese improvement suggestion activities</td>
<td>• Lack of legal institutions for communication between management and labor</td>
<td>• Deployment of human relations with purpose of rationalization such as job improvement and increasing work efficiency</td>
<td>• Avoidance of collective bargaining by using the claim disposition system</td>
<td>• Supervisor system with insufficient delegation of authority to low level managers at production spots</td>
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<td>• Inactive deployment of personnel counseling compared with other human relations methods</td>
<td>• Emphasis on cooperative relationships between management and labor in the deployment of human relations</td>
<td>• Use of attitude surveys as an important measure of labor audits</td>
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<td>• Emphasis on improvement of workers’ morale by deploying human relations</td>
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<td>• Emphasis on improvement of workers’ morale in welfare service measures</td>
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</table>

Source: This table was compiled on the basis of discussions in this paper by the author.
When comparing conditions in foreign country, Japanese characteristics in the deployment of human relations can be clearer. For instance, Germany did not need to modernize its management as strongly as did Japan. Although reforms in human relations-driven labor were undertaken at the behest of the United States rather than by Germany’s own volition, the legal establishment of systems for employee participation in management, typified by codetermination, established a strong framework for labor relations. The deep-rooted differences between the United States and Europe in terms of understanding and implementing employees' participation in the management process were one of the hindrances in the Americanization of European economic life [2, p.193]. The complementary labor agreement with codetermination at the plant and top management levels formed the framework of industrial relations during the post-World War II period. Thus, the politically motivated attempt by the United States to promote the introduction of human relations to transform industrial relations was unsuccessful. As these examples demonstrate, conditions for the deployment of human relations varied greatly between Germany and Japan.

In Germany, labor relations derived not from management methodologies as in the US, but rather from systems embedded in the law. As a result, the deployment of human relations in corporations was limited. We can observe that the main fields of human relations deployment were issues that could not be automatically solved by legal regulations such as codetermination system. Therefore, Improvement of human relations and labor climate in workshops and relations between foremen and subordinates was emphasized. These were problems out of codetermination system [3, S.190, 202; 50, pp.169, 171].

Whereas the traditional German-style industrial relations, emphasizing technology and skills, was an important background factor in the quest to design a method compatible with the German adaptation of American management style and system, the structural characteristic determined by various conditions, such as Japanese labor relations and the social consciousness of employees greatly influenced on the deployment of American human relations methods. In Japan, under the specific labor relations and collectivism, the promotion of rationalization countermeasures for workers rather than creation of good human relations in the workplace was strongly emphasized and pursued in the introduction of human relations.

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