

Research Overview: Themes, issues, Data

Christina Ahmadjian
Hitotsubashi University
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Current research themes



- Corporate governance reforms in Japan and Asia
- Interfirm networks in Japan and Asia
- Rhetoric, cognition and emergence of new industries (jibiru)
- The legacy of Japanese management studies

Corporate governance reforms



- Diffusion of the “corporate executive officer system” in Japan
- Systems of corporate governance in East Asia
- Corporate governance reforms in Japan and South Korea

Diffusion of CEO system



- Sample of listed electronics firms
- Why do firms adopt the corporate executive officer system?
- Firms use this “global standard” of governance to solve their own problems (slow decision-making, wrong people on the board, too much consensus emphasis)
- Firms pick and choose between elements of agency theory based, Anglo-American style governance and adopt what they want

Corporate governance reform and politics in Japan and Korea



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- Qualitative study of rhetoric of corporate governance reform in Japan and South Korea in 1990's
- Actors in each country frame the “global standard” of corporate governance in ways that solve their own problems or promote their own positions
- Corporate governance takes on very different significance in the two countries
- The framing of corporate governance matters, in particular, defines alliances between actors

Corporate governance in Asia



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- Two book chapters
- Understanding the continued diversity in corporate governance in Asia
- Understanding the gap between “honne” and “tatemae” of corporate governance
- Is corporate governance in Japan really that much worse than anywhere else? (Less of a gap between honne and tatemae)
- Corporate governance as politics
- Role of foreigners



Themes in corporate governance research

- Anglo-American corporate governance as a “global standard” –convenient justification for political actors and corporate managers
- Anglo-American corporate governance practices as a set of practices that can be chosen from and framed to serve local interests
- Understanding the role of foreign capital: How important is it, really?

Interfirm networks in Japan and Asia



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- The Ghosn shock and buyer supplier networks in the Japanese automotive industry
- Business groups and interfirm ownership networks in Japan, South Korea and Taiwan

The Ghosn shock and buyer-supplier networks in the Japanese auto industry



- How much of a difference did Ghosn really make?
- Data: transactions between Japanese automakers and suppliers between 1984 and 2006
- Ties extended and broken based on different logic after “Ghosn shock”
- Mechanisms of change: new ties based on competitive market logic, by both Nissan and Nissan suppliers

Interfirm networks in Japan, South Korea and Taiwan



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- What explains the different structure of business groups and configuration of ties between business groups in these three countries?
- Data on equity ownership of top 200 firms and banks in each of these countries in 1990 and 2000
- Importance of the state in the initial stages of development, how finance was allocated and how loans were protected (securing and governing access to resources)
- Considerable difference in bank centered, Asian systems of capitalism, but based on specific conditions in early development stages.

Themes in network research



- Robustness and durability of these ties
- When foreigners do and don't influence networks (do in the case of Ghosn, don't when looking at ownership ties among largest firms)
- Differences in East Asian economies ("network" economies and business groups are not so similar)
- Role of the state and financial system

Rhetoric, cognition, and emergence of new industries



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- Category creation in the jibiru industry
- Who makes unusual beer?

Category creation in the jibiru industry



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- Why did the small brewery industry in Japan get called “jibiru”? What did this mean for the types of entrants and types of beer? Why did jibiru taste so bad?
- Understanding how new industries are shaped by shared understandings of participants, and how rhetoric affects this
- Looking at the dynamics an industry created by deregulation, from the outside
- Case study of the development of the industry
- Study of rhetoric over time

Innovation and variety in jibiru



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- Understanding the choice of making weird beer versus standard types of beer
- What kinds of entrants veer from standard products?
- How do networks within and outside of the industry shape this?

Themes in beer research



- The degree to which rhetoric and framing affects the development of an industry
- How relatively random and idiosyncratic events make a difference
- Effects of deregulation by fiat, framing by actors external to the industry
- Desire to study entrepreneurial, local businesses

The legacy of Japanese management studies



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- Japanese management studies as a model for management research (problem focused, cross-disciplinary, theory and practice)
- Indelible influence of Japanese management studies on the fundamentals of management today
- Role of Hitotsubashi University as center and catalyst of Japanese management studies



What I really want to be working on

- Institutional change in Japanese firms—a nuanced look at how foreign influences, internal politics, competitive pressures have been changing large Japanese firms
- Corporate governance: what really goes on in the boardroom. What is really important in Japan.
- Japanese companies abroad: How do you compete in an interconnected global economy, when you don't speak English and cling to a very different system of management? How much does diversity matter? Can monozukuri save Japan?
- Did “Japanese management studies” hurt the Japanese economy, by making it impossible to change?

For this project



- Foreign investors and capital markets: do they really make a difference? Under what circumstances?
- What do boards really do?
- M&A (outward): mechanisms of control, learning, innovation
- Non-Japanese in Japanese companies—hiring, retaining and getting them to the top